

accompanied by a report (No. 857), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SHALLENBERGER, from the Committee on Military Affairs, to which was referred the bill (H. R. 13294) to amend an act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1916, and for other purposes, approved March 3, 1915, reported the same with amendment, accompanied by a report (No. 859), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. TIMBERLAKE, from the Committee on the Public Lands, to which was referred the bill (H. R. 11368) to authorize the Secretary of the Interior to issue patent in fee simple to the National Lincoln-Douglass Sanatorium and Consumptive Hospital Association (a corporation), of Denver, Colo., for a certain described tract of land, reported the same with amendment, accompanied by a report (No. 858), which said bill and report were referred to the Private Calendar.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MONDELL: A bill (H. R. 13350) to add certain lands to the Yellowstone National Park; to the Committee on the Public Lands.

By Mr. IGOE: A bill (H. R. 13351) to provide for the issuance of a certificate of honorable service to persons serving in the regular Navy or Naval Reserve during the present emergency and for the payment of transportation to certain discharged or released enlisted men of the regular Navy; to the Committee on Naval Affairs.

By Mr. ZIHLMAN: A bill (H. R. 13352) authorizing the appointment of a commission to collate information and to consider and recommend legislation to meet the economic and industrial problems of reconstruction; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENCH: A bill (H. R. 13353) to extend the provisions of the homestead laws touching credit for period of enlistment to the soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and Marine Corps of the United States who have served or will have served with the Mexican border operations or during the war between the United States and Germany and her allies; to the Committee on the Public Lands.

By Mr. SHACKLEFORD: A bill (H. R. 13354) to amend an act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916; to the Committee on Roads.

By Mr. NELSON: A bill (H. R. 13355) for the relief of the St. Croix Chippewa Indians of Wisconsin; to the Committee on Appropriations.

By Mr. BORLAND: A bill (H. R. 13356) to provide for demobilizing the military and naval forces of the United States; to the Committee on Military Affairs.

By Mr. MOORE of Pennsylvania: A bill (H. R. 13357) to amend an act approved March 3, 1891, to incorporate the National Conservatory of Music; to the Committee on the Judiciary.

By Mr. SIMS: A bill (H. R. 13358) extending the benefits of the war-risk insurance act to certain civilians employed by the Army; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Kentucky: Resolution (H. Res. 476) providing for payment of expenses of committee to investigate the National Security League and for its sittings during sessions of the House; to the Committee on Accounts.

By Mr. CHANDLER of Oklahoma: Resolution (H. Res. 477) to authorize the Committee on Indian Affairs of the House of Representatives of the Sixty-fifth Congress to investigate the policy and conduct of the Bureau of Indian Affairs in its dealings with the affairs of the Quapaw Indians of Oklahoma; to the Committee on Rules.

By Mr. McKEOWN: Resolution (H. Res. 478) declaring for the immediate discharge from the military service of all soldiers having dependents for which allowances are granted in the War Risk Bureau; to the Committee on Military Affairs.

By Mr. DILLON: Joint resolution (H. J. Res. 366) to acquire title, by purchase, condemnation, or otherwise of large tracts of land now held by corporations or individuals and convert the

same into small farms for sale as homes to soldiers, sailors, marines, and others; to the Committee on the Public Lands.

By Mr. LAGUARDIA: Joint resolution (H. J. Res. 367) admitting into the United States 35 puncheons of Gordon's sloe gin, ordered by E. La Montagne's Sons, of New York, before the passage of the food-control act prohibiting the importation of distilled spirits, the delivery of which was delayed on account of war conditions, until after that act went into effect; to the Committee on Ways and Means.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAGO: A bill (H. R. 13359) granting an increase of pension to Henry C. McKinley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13360) granting an increase of pension to Thomas C. Wallace; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 13361) granting an increase of pension to Thomas C. Yates; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13362) granting an increase of pension to James Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13363) granting an increase of pension to Alexander Smith; to the Committee on Invalid Pensions.

By Mr. MANN: A bill (H. R. 13364) granting a pension to Nancy Granger; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Resolution of New Korea Association relating to Korean grievances and affairs; to the Committee on Foreign Affairs.

By Mr. ELSTON: Protest of Bay City Radio Club against passage of House bill 13159 and Senate bill 5306; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of United Irish-American Societies of Alameda County, Cal., for political self-determination for Ireland; to the Committee on Foreign Affairs.

Also, memorial of Leo J. McCarthy and M. M. Roach for political self-determination of Ireland; to the Committee on Foreign Affairs.

By Mr. FULLER of Illinois: Petition of the American Licorice Co., of Chicago, Ill., for speedy passage of the revenue bill; also for the same rates of taxation against individuals and partnerships as against corporations; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: Memorial of Dale E. Rowe, and sundry other citizens of Rock Island, Ill., and Moline, Ill., protesting against the Alexander bill, House bill 13159; to the Committee on the Merchant Marine and Fisheries.

By Mr. HAMILTON of Michigan: Petition of teachers of Berrien County, Mich., to support the bill known as S. 4967, to create a department of education; to the Committee on Education.

By Mr. RAMSEYER: Resolution of the Croatian Society of Colfax, Iowa; to the Committee on Foreign Affairs.

#### SENATE.

FRIDAY, December 13, 1918.

(Legislative day of Thursday, December 12, 1918.)

The Senate met at 12 o'clock noon.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Harding	Myers	Smith, Ga.
Beckham	Johnson, Cal.	New	Smith, Md.
Cummins	Jones, N. Mex.	Page	Smoot
Curtis	Jones, Wash.	Pollock	Spencer
Dillingham	Kellogg	Reed	Swanson
Fletcher	Kenyon	Saulsbury	Thompson
France	King	Shafer	Townsend
Frelinghuysen	Kirby	Sheppard	Trammell
Gay	McKellar	Sherman	Underwood
Gronna	McLean	Simmons	Warren
Hale	Mulkey	Smith, Ariz.	Weeks

Mr. CURTIS. I desire to announce that the Senator from New Hampshire [Mr. Moses] is absent on account of illness.

Mr. McKELLAR. The senior Senator from Tennessee [Mr. Shields] is still absent on account of illness.

The VICE PRESIDENT. Forty-four Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. BORAH, Mr. CALDER, Mr. HENDERSON, Mr. JOHNSON of South Dakota, Mr. LA FOLLETTE, Mr. NORRIS, Mr. POINDEXTER, Mr. SMITH of South Carolina, Mr. SUTHERLAND, Mr. THOMAS, and Mr. WALSH answered to their names when called.

Mr. HENDERSON. I desire to announce that the Senator from Idaho [Mr. NUGENT] is necessarily detained from the Senate.

Mr. SUTHERLAND. I wish to state that my colleague [Mr. GOFF] is absent owing to illness.

Mr. CULBERSON, Mr. GERRY, Mr. HITCHCOCK, and Mr. LENROOT entered the Chamber and answered to their names.

Mr. KING. I wish to announce that the Senator from North Carolina [Mr. OVERMAN], the Senator from Minnesota [Mr. NELSON], the Senator from South Dakota [Mr. STERLING], and the Senator from Delaware [Mr. WOLCOTT] are detained on official business. They are engaged in a hearing of the subcommittee of the Committee on the Judiciary.

Mr. BANKHEAD, Mr. RANDELL, Mr. CHAMBERLAIN, Mr. MARTIN of Virginia, and Mr. VARDAMAN entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

#### INVESTIGATION OF SPRUCE PRODUCTION.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of War, relative to an investigation of the spruce-production section of the Aeroplane Division of the Signal Corps of the United States Army, which will be inserted in the Record and referred to the Committee on Military Affairs.

The communication is as follows:

WAR DEPARTMENT,  
Washington, December 10, 1918.

The honorable the PRESIDENT OF THE UNITED STATES SENATE.

SIR: With reference to the resolution adopted by the United States Senate December 5, 1918, "that the Secretary of War is hereby requested to inform the Senate what, if any, steps have been taken upon the recommendation of Hon. Charles E. Hughes for an investigation of the spruce-production section of the Aeroplane Division of the Signal Corps of the United States Army," I have the honor to inform you that by my direction a comprehensive investigation of the spruce situation was made, and a report rendered, during the month of July, by the Inspector General of the Army, covering all the features of the situation as it then existed.

On November 30 the Inspector General was further directed to send a very competent man to the Northwest to further investigate this situation and complete his report on the whole situation to the present date. In compliance with these instructions the Inspector General has detailed for this duty Maj. H. M. Ray of the Inspector General's Department, whom he considers specially fitted by education and special training, and this office is now engaged in this work. It is the intention of the department that this investigation shall be as thorough and comprehensive as possible.

Very respectfully,

NEWTON D. BAKER,  
Secretary of War.

REPORT OF BOARD OF ORDNANCE AND FORTIFICATION (H. DOC. NO. 1423).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, the annual report of the Board of Ordnance and Fortification for the fiscal year 1918, which was referred to the Committee on Military Affairs.

#### REPORT OF FEDERAL TRADE COMMISSION (H. DOC. NO. 1438).

The VICE PRESIDENT laid before the Senate the annual report of the Federal Trade Commission for the fiscal year 1918, which was referred to the Committee on Interstate Commerce.

#### PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a resolution adopted by the House of Representatives of Porto Rico, petitioning Congress to include in such reciprocal commercial treaties as may be negotiated with Spain or any other European nation the importation of Porto Rican coffee free of duty or under the largest tariff rebate possible, which was referred to the Committee on Foreign Relations.

Mr. LODGE presented a resolution in the nature of a petition adopted by the Woman's Christian Temperance Union of Roslindale, Mass., praying for the adoption of an amendment to the Constitution granting the right of suffrage to women, which was ordered to lie on the table.

He also presented a resolution in the nature of a memorial adopted by the Woman's Antisuffrage Association of Massachusetts, remonstrating against the adoption of an amendment to the Constitution granting the right of suffrage to women, which was ordered to lie on the table.

Mr. WARREN presented a petition from the Cullen Commercial Co., of Rawlins, Wyo., praying for the enactment of legislation authorizing the Comptroller of the Treasury to expend funds in payment on partially canceled contracts for Government shoes, which was referred to the Committee on Finance.

#### BILL INTRODUCED.

Mr. GAY introduced a bill (S. 5189) to donate 50 cannon to the State of Louisiana, which was read twice by its title and referred to the Committee on Military Affairs.

#### THE REVENUE.

Mr. KELLOGG submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was ordered to lie on the table and be printed.

Mr. KENYON submitted an amendment intended to be proposed to the bill (H. R. 12863) to provide revenue, and for other purposes, which was ordered to lie on the table and be printed.

Mr. RANDELL submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was ordered to lie on the table and be printed.

#### ANNIE T. BRAHAM.

Mr. CALDER submitted the following resolution (S. Res. 385), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, from the miscellaneous items of the contingent fund of the Senate, to Annie T. Braham, sole surviving relative of William E. Burke, late a messenger in the employ of the Senate, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

#### THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. SIMMONS. I ask that the Secretary may continue the reading of the bill.

The Secretary resumed the reading of the bill at page 157, line 22, section 600.

The next amendment of the Committee on Finance was, on page 160, line 25, to insert in parentheses "in lieu of the internal-revenue tax now imposed thereon by law," and on page 161, line 2, to insert after "spirits" the words "whenever withdrawn and hereafter," so as to make the section read:

SEC. 612. That under such regulations and official supervision and upon the giving of such notices, entries, bonds, and other security as the commissioner, with the approval of the Secretary, may prescribe, any producer of wines defined under the provisions of this title may withdraw from any fruit distillery or special bonded warehouse grape brandy, or wine spirits, for the fortification of such wines on the premises where actually made: *Provided*, That there shall be levied and assessed against the producer of such wines a tax (in lieu of the internal-revenue tax now imposed thereon by law) of 60 cents per proof gallon of grape brandy or wine spirits whenever withdrawn and hereafter so used by him in the fortification of such wines during the preceding month, which assessment shall be paid by him within 10 months from the date of notice thereof: *Provided further*, That nothing contained in this section shall be construed as exempting any wines, cordials, liqueurs, or similar compounds from the payment of any tax provided for in this title.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, on page 161, line 24, to insert after the word "sale" the words "containing sweet wine fortified with grape brandy," so as to make the section read:

SEC. 613. That upon the following articles which are hereafter produced in or imported into the United States, or which on the day after the passage of this act are on any winery premises or other bonded premises or in transit thereto or at any customhouse, there shall be levied, collected, and paid taxes at rates as follows, when sold, or removed for consumption or sale:

On each bottle or other container of champagne or sparkling wine, 12 cents on each one-half pint or fraction thereof;

On each bottle or other container of artificially carbonated wine, 6 cents on each one-half pint or fraction thereof;

On each bottle or other container of liqueurs, cordials, or similar compounds, by whatever name sold or offered for sale, containing sweet wine fortified with grape brandy, 6 cents on each one-half pint or fraction thereof.

The tax imposed by this section shall, in the case of any article upon which a corresponding internal-revenue tax is now imposed by law, be in lieu of such tax.

The amendment was agreed to.

The reading of the bill was continued.



The next amendment was, on page 162, line 5, before the word "tax," to insert "internal-revenue," so as to make the section read:

SEC. 614. That upon all articles specified in section 611 or 613 upon which the internal-revenue tax now imposed by law has been paid and which are on the day after the passage of this act held by any person and intended for sale, there shall be levied, collected, and paid a floor tax equal to the difference between the tax imposed by this act and the tax so paid.

The amendment was agreed to.

The next amendment was, on page 162, line 14, before the word "cents," to strike out "20" and insert "30," and in line 16, after the word "wine," to strike out "and a floor tax of 30 cents per proof gallon shall be levied, assessed, collected, and paid upon all grape brandy or wine spirits withdrawn by a producer of sweet wines for the purpose of fortifying such wines and not so used prior to the passage of this act," so as to make the section read:

SEC. 615. That upon all sweet wines held for sale by the producer thereof upon the day after the passage of this act there shall be levied, assessed, collected, and paid a floor tax equivalent to 30 cents per proof gallon upon the grape brandy or wine spirits used in the fortification of such wine.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, in section 618, page 168, line 1, before the word "That," to insert "(a)," so as to read:

SEC. 618. (a) That under such regulations and upon the execution of such notices, entries, bonds, and other security as the commissioner, with the approval of the Secretary, may prescribe, domestic wines subject to the tax imposed by section 611 may be removed from the winery where produced, free of tax, for storage on other bonded premises or from such premises to other bonded premises (but not more than one such additional removal shall be allowed), or for exportation from the United States or for use as distilling material at any regularly registered distillery.

The amendment was agreed to.

The next amendment was, on page 168, after line 18, to insert:

(b) Under regulations prescribed by the Commissioner with the approval of the Secretary, it shall be lawful to produce grape wines on bonded winery premises by the usual method of fermentation, and to transport and use the same, and like wines heretofore produced and now stored on bonded winery premises, as distilling material for the production of nonbeverage spirits in the production of nonalcoholic wines, containing less than one-half of 1 per cent of alcohol by volume, in any fruit brandy or industrial distillery: *Provided*, That all alcoholic spirits so obtained at any industrial distillery shall be denatured, and all spirits so obtained at any fruit distillery shall be removed and used only for nonbeverage purposes or for denaturation.

The amendment was agreed to.

The next amendment was, in section 620, on page 169, line 23, after the word "both," to insert "and in addition thereto by a penalty of double the tax evaded, or attempted to be evaded, to be assessed and collected in the same manner as taxes are assessed and collected," so as to read:

SEC. 620. That whoever evades or attempts to evade any tax imposed by sections 611 to 615, both inclusive, or any requirement of sections 610 to 621, both inclusive, or regulation issued pursuant thereto, or whoever, otherwise than as provided in such sections, recovers or attempts to recover any spirits from domestic or imported wine, or whoever rectifies, mixes, or compounds with distilled spirits any domestic wines, other than in the manufacture of liqueurs, cordials, or similar compounds, shall, on conviction, be punished for each such offense by a fine of not exceeding \$5,000, or imprisonment for not more than five years, or both, and in addition thereto by a penalty of double the tax evaded, or attempted to be evaded, to be assessed and collected in the same manner as taxes are assessed and collected, and all wines, spirits, liqueurs, cordials, or similar compounds as to which such violation occurs shall be forfeited to the United States.

The amendment was agreed to.

Mr. SIMMONS. Mr. President, I desire to call to the attention of Senators the fact that I have had placed upon the desks of Senators this morning an index to this bill. It should have been prepared earlier, but I have just been able to get it.

The reading of the bill was resumed and continued to the end of section 627, on page 176, line 11.

Mr. LA FOLLETTE. Mr. President, at the request of the senior Senator from Oregon [Mr. CHAMBERLAIN], I ask that the next section be passed over without action upon the amendments.

The VICE PRESIDENT. The Senator refers to section 628? Mr. LA FOLLETTE. To section 628.

The reading of the bill was resumed. The next amendment of the Committee on Finance was, on page 176, line 17, after the word "half," to insert "of one"; in line 19, after the word "to," to strike out "30" and insert "15"; in line 20, after the word "all," to strike out "unfermented grape juice"; in line 23, after the word "drinks," to insert "(except fruit or berry juice)"; at the beginning of line 26, to strike out "20" and insert "10"; on page 177, line 3, after the word "containers," to strike out "at over 10 cents per gallon"; and, at the beginning of line 4, to strike out "of 2 cents per gallon" and insert "equivalent to 5 per cent of the price for which so sold," so as to make the section read:

SEC. 628. That there shall be levied, assessed, collected and paid in lieu of the taxes imposed by sections 313 and 315 of the revenue act of 1917—

(a) Upon all beverages derived wholly or in part from cereals or substitutes therefor, and containing less than one-half of 1 per cent of alcohol, sold by the manufacturer, producer, or importer, in bottles or other closed containers, a tax equivalent to 15 per cent of the price for which so sold; and upon all ginger ale, root beer, sarsaparilla, pop, artificial mineral waters (carbonated or not carbonated), other carbonated waters or beverages, and other soft drinks (except fruit or berry juice), sold by the manufacturer, producer, or importer, in bottles or other closed containers, a tax equivalent to 10 per cent of the price for which so sold; and

(b) Upon all natural mineral waters or table waters, sold by the producer, bottler, or importer thereof, in bottles or other closed containers, a tax equivalent to 5 per cent of the price for which sold.

The VICE PRESIDENT. The section will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 629, on page 177, line 9, after the word "imposed," to strike out "on" and insert "in respect to," and after line 14 to insert:

The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax a penalty of 5 per cent, together with interest at the rate of 1 per cent for each full month, from the time when the tax became due.

So as to make the section read:

SEC. 629. That each manufacturer, producer, bottler, or importer of any of the articles enumerated in section 628 shall make monthly returns under oath in duplicate and pay the taxes imposed in respect to such articles by such section to the collector for the district in which is located the principal place of business, containing such information necessary for the assessment of the tax, and at such times and in such manner as the commissioner, with the approval of the Secretary, may by regulation prescribe.

The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax a penalty of 5 per cent, together with interest at the rate of 1 per cent for each full month, from the time when the tax became due.

The amendment was agreed to.

The next amendment was, in section 630, page 177, line 22, after the word "after," to strike out "November 1, 1918"; in line 24, after the words "tax of," to strike out "2 cents" and insert "1 cent"; and on page 178, line 7, after the word "business," to strike out "Provided, That in cases where the charge for any such article is 7 cents or less, the tax shall be 1 cent," so as to make the section read:

SEC. 630. That on and after — there shall be levied, assessed, collected, and paid a tax of 1 cent for each 10 cents or fraction thereof of the amount paid to any person conducting a soda fountain, ice-cream parlor, or other similar place of business, for drinks commonly known as soft drinks, compounded or mixed at such place of business, or for ice cream, ice-cream sodas, sundaes, or other similar articles of food or drink, when any of the above are sold on or after such date for consumption in or in proximity to such place of business. Such tax shall be paid by the purchaser to the vendor at the time of the sale and shall be collected, returned, and paid to the United States by such vendor in the same manner as provided in section 502.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I am perfectly willing that these amendments shall be adopted at this time, because I think they ought to be adopted if this section is to be retained in the bill as it finally passes; but I expect to offer a substitute for the whole section, and if that amendment is agreed to of course this section would be eliminated.

The VICE PRESIDENT. That would be a motion to strike out and insert. So no advantage will be lost by the adoption of the amendments.

The reading of the bill was resumed.

The next amendment was, under the head of "Title VII.—Tax on cigars, tobacco, and manufactures thereof," in section 700, page 178, line 25, before the words "per thousand," to strike out "\$2" and insert "\$1.50," so as to make the paragraph read:

On cigars of all descriptions made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, \$1.50 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 4, before the words "per thousand," to strike out "\$5" and insert "\$4," so as to make the paragraph read:

On cigars made of tobacco, or any substitute therefor, and weighing more than 3 pounds per thousand, if manufactured or imported to retail at not more than 5 cents each, \$4 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 6, before the words "per thousand," to strike out "\$8" and insert "\$5.40," so as to make the paragraph read:

If manufactured or imported to retail at more than 5 cents each and not more than 8 cents each, \$5.40 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 8, before the words "per thousand," to strike out "\$12" and insert "\$9," so as to make the paragraph read:

If manufactured or imported to retail at more than 8 cents each and not more than 15 cents each, \$9 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 11, before the words "per thousand," to strike out "\$16" and insert "\$12," so as to make the paragraph read:

If manufactured or imported to retail at more than 15 cents each and not more than 20 cents each, \$12 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 14, before the words "per thousand," to strike out "\$20" and insert "\$15," so as to make the paragraph read:

If manufactured or imported to retail at more than 20 cents each, \$15 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 16, after the word "thousand," to strike out "if manufactured or imported to retail at less than 2 cents each, \$4.10" and insert "\$2.90," so as to make the paragraph read:

On cigarettes made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, \$2.90 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, after line 18, to strike out:

If manufactured or imported to retail at 2 cents or more each, \$5.10 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 21, before the words "per thousand," to strike out "\$9.60" and insert "\$7.20," so as to make the paragraph read:

Weighing more than 3 pounds per thousand, \$7.20 per thousand.

The amendment was agreed to.

The next amendment was, on page 179, line 23, after the word "cigars," to strike out "or cigarettes," and on page 180, line 2, after the word "cigar," to strike out "or, in the case of cigarettes, the ordinary retail price thereof when sold in packages of less than 40," so as to make the paragraph read:

(b) Whenever in this section reference is made to cigars manufactured or imported to retail at not over a certain price each, then in determining the tax to be paid regard shall be had to the ordinary retail price of a single cigar.

The amendment was agreed to.

The next amendment was, on page 180, line 7, after the word "cigars," to strike out "or cigarettes," so as to make the paragraph read:

(c) The commissioner may, by regulation, require the manufacturer or importer to affix to each box, package, or container a conspicuous label indicating the clause of this section under which the cigars therein contained have been tax-paid, which must correspond with the tax-paid stamp on such box or container.

The amendment was agreed to.

The next amendment was, in section 701, page 181, line 6, before the word "cents," to strike out "26" and insert "18," so as to make the paragraph read:

SEC. 701. (a) That upon all tobacco and snuff manufactured in or imported into the United States and hereafter sold by the manufacturer or importer, or removed for consumption or sale, there shall be levied, collected, and paid, in lieu of the internal-revenue taxes now imposed thereon by law, a tax of 18 cents per pound, to be paid by the manufacturer or importer thereof.

The amendment was agreed to.

The next amendment was, in section 702, page 183, after line 12, to insert:

In the case of any person making due return as required by the commissioner of the stock of all such articles on such date so held by him, the tax imposed by this section shall apply only to the excess of manufactured tobacco and snuff over 50 pounds, to the excess of cigars over 1,000, and to the excess of cigarettes over 3,000.

Mr. SIMMONS. Mr. President, the semicolon at the end of line 18 should be a period. I move that that amendment be made.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 703, page 184, line 4, before the word "cent," to strike out "1" and insert "one-half"; in line 5, before the word "containing," to strike out "2 cents" and insert "1 cent"; in line 6, before the word "cent," to strike out "1" and insert "one-half"; and in line 7, after the word "tubes," to strike out "2 cents" and insert "1 cent," so as to make the paragraph read:

SEC. 703. That there shall be levied, collected, and paid, in lieu of the taxes imposed by section 404 of the revenue act of 1917, upon cigarette paper made up into packages, books, sets, or tubes, made up

in or imported into the United States and hereafter sold by the manufacturer or importer to any person (other than to a manufacturer of cigarettes for use by him in the manufacture of cigarettes) the following taxes, to be paid by the manufacturer or importer: On each package, book, or set, containing more than 25 but not more than 50 papers, one-half cent; containing more than 50 but not more than 100 papers, 1 cent; containing more than 100 papers, one-half cent for each 50 papers or fractional part thereof; and upon tubes, 1 cent for each 50 tubes or fractional part thereof.

The amendment was agreed to.

The next amendment was, on page 184, after line 17, to insert as a new section the following:

SEC. 704. That section 35 of the act of August 5, 1909, be, and is hereby, repealed, to take effect April 1, 1919.

That section 3360 of the Revised Statutes be, and is hereby, amended to read as follows:

"SEC. 3360. (a) Every dealer in leaf tobacco shall file with the collector of the district in which his business is carried on a statement in duplicate, subscribed under oath, setting forth the place, and if in a city, the street and number of the street, where his business is to be carried on, and the exact location of each place where leaf tobacco is held by him on storage, and, whenever he adds to or discontinues any of his leaf-tobacco storage places, he shall give immediate notice to the collector of the district in which he is registered.

"Every such dealer shall give a bond with surety, satisfactory to, and to be approved by, the collector of the district, in such penal sum as the collector may require, not less than \$500; and a new bond may be required in the discretion of the collector or under instructions of the commissioner.

"Every such dealer shall be assigned a number by the collector of the district, which number shall appear in every inventory, invoice, and report rendered by the dealer, who shall also obtain certificates from the collector of the district setting forth the place where his business is carried on and the places designated by the dealer as the places of storage of his tobacco, which certificates shall be posted conspicuously within the dealer's registered place of business, and within each designated place of storage.

"(b) Every dealer in leaf tobacco shall make and deliver to the collector of the district a true inventory of the quantity of the different kinds of tobacco held or owned, and where stored by him, on the 1st day of January of each year, or at the time of commencing and at the time of concluding business, if before or after the 1st day of January, such inventory to be made under oath and rendered in such form as may be prescribed by the commissioner.

"Every dealer in leaf tobacco shall render such invoices and keep such records as shall be prescribed by the commissioner, and shall enter therein, day by day, and upon the same day on which the circumstance, thing, or act to be recorded is done or occurs, an accurate account of the number of hogsheads, tierces, cases and bales, and quantity of leaf tobacco contained therein, purchased or received by him, on assignment, consignment, for storage, by transfer or otherwise, and of whom purchased or received, and the number of hogsheads, tierces, cases and bales, and the quantity of leaf tobacco contained therein, sold by him, with the name and residence in each instance of the person to whom sold, and if shipped, to whom shipped, and to what district; such records shall be kept at his place of business at all times and preserved for a period of two years, and the same shall be open at all hours for the inspection of any internal-revenue officer or agent.

"Every dealer in leaf tobacco on or before the 10th day of each month shall furnish to the collector of the district a true and complete report of all purchases, receipts, sales, and shipments of leaf tobacco made by him during the month next preceding, which report shall be verified and rendered in such form as the commissioner, with the approval of the Secretary, shall prescribe.

"(c) Sales or shipments of leaf tobacco by a dealer in leaf tobacco shall be in quantities of not less than a hogshead, tierce, case, or bale, except loose leaf tobacco, comprising the breaks on warehouse floors, and except to a duly registered manufacturer of cigars for use in his own manufactory exclusively.

"Dealers in leaf tobacco shall make shipments of leaf tobacco only to other dealers in leaf tobacco, to registered manufacturers of tobacco, snuff, cigars, or cigarettes, or for export.

"(d) Upon all leaf tobacco sold, removed, or shipped by any dealer in leaf tobacco in violation of the provisions of subdivision (c), or in respect to which no report has been made by such dealer in accordance with the provisions of subdivision (b), there shall be levied, assessed, collected, and paid a tax equal to the tax then in force upon manufactured tobacco, such tax to be assessed and collected in the same manner as the tax on manufactured tobacco.

"(e) Every dealer in leaf tobacco—

"(1) Who neglects or refuses to furnish the statement, to give bond, to keep books, to file inventory, or to render the invoices, returns, or reports required by the commissioner, or to notify the collector of the district of additions to his places of storage; or

"(2) Who ships or delivers leaf tobacco, except as herein provided; or

"(3) Who fraudulently omits to account for tobacco purchased, received, sold, or shipped—

Shall be fined not less than \$100 or more than \$500, or imprisoned not more than one year, or both.

"(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him."

The amendment was agreed to.

The next amendment was, on page 188, line 13, to strike out "November 1, 1918," and leave a blank, so as to read:

#### TITLE VIII.—TAX ON ADMISSIONS AND DUES.

SEC. 800. (a) That from and after — there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 700 of the revenue act of 1917.

The amendment was agreed to.

The next amendment was, on page 188, line 17, to strike out "2 cents" and insert "1 cent," and in line 20, after the word "admission," to strike out the proviso in the following words:

Provided, That in cases where the charge for admission is 7 cents or less, and in the case of children under 12 years of age where an admission charge for such children is made, the tax shall be 1 cent.



So as to read:

(1) A tax of 1 cent for each 10 cents or fraction thereof of the amount paid for admission to any place on or after such date, including admission by season ticket or subscription, to be paid by the person paying for such admission.

The amendment was agreed to.

The next amendment was, on page 189, line 7, to strike out "2 cents" and insert "1 cent," so as to read:

(2) In the case of persons (except bona fide employees, municipal officers on official business, persons in the military or naval forces of the United States when in uniform, and children under 12 years of age) admitted free or at reduced rates to any place at a time when and under circumstances under which an admission charge is made to other persons, a tax of 1 cent for each 10 cents or fraction thereof of the price so charged to such other persons for the same or similar accommodations, to be paid by the person so admitted.

The amendment was agreed to.

The next amendment was, on page 189, line 17, before the words "per centum," to strike out "5" and insert "10"; in line 20, to strike out "30" and insert "50" before "per centum"; and in line 22, to strike out "904" and insert "903," so as to read:

(3) Upon tickets or cards of admission to theaters, operas, and other places of amusement, sold at news stands, hotels, and places other than the ticket offices of such theaters, operas, or other places of amusement, at not to exceed 50 cents in excess of the sum of the established price therefor at such ticket offices plus the amount of any tax imposed under paragraph (1), a tax equivalent to 10 per cent of the amount of such excess; and if sold for more than 50 cents in excess of the sum of such established price plus the amount of any tax imposed under paragraph (1), a tax equivalent to 50 per cent of the whole amount of such excess, such taxes to be returned and paid, in the manner provided in section 903, by the person selling such tickets.

The amendment was agreed to.

The next amendment was, on page 190, line 4, to strike out "904" and insert "903," so as to read:

(4) A tax equivalent to 50 per cent of the amount for which the proprietors, managers, or employees of any opera house, theater, or other place of amusement sell or dispose of tickets or cards of admission in excess of the regular or established price or charge therefor, such tax to be returned and paid, in the manner provided in section 903, by the person selling such tickets.

The amendment was agreed to.

The next amendment was, in line 10, before the words "per cent," to strike out "25" and insert "10," so as to read:

(5) In the case of persons having the permanent use of boxes or seats in an opera house or any place of amusement or a lease for the use of such box or seat in such opera house or place of amusement (in lieu of the tax imposed by paragraph (1)), a tax equivalent to 10 per cent of the amount for which a similar box or seat is sold for each performance or exhibition at which the box or seat is used or reserved by or for the lessee or holder, such tax to be paid by the lessee or holder;

The amendment was agreed to.

The next amendment was, in line 15, to strike out "2 cents" and insert "1 cent" before "per cent," so as to read:

(6) A tax of 1 cent for each 10 cents or fraction thereof of the amount paid for admission to any public performance for profit at any roof garden, cabaret, or other similar entertainment, to which the charge for admission is wholly or in part included in the price paid for refreshment, service, or merchandise; the amount paid for such admission to be deemed to be 20 per cent of the amount paid for refreshment, service, and merchandise; such tax to be paid by the person paying for such refreshment, service, or merchandise.

The amendment was agreed to.

The next amendment was, on page 191, line 2, after the word "organizations," to insert "or organizations conducted for the sole purpose of maintaining symphony orchestras and receiving substantial support from voluntary contributions," so as to read:

(b) No tax shall be levied under this title in respect to any admissions all the proceeds of which inure exclusively to the benefit of religious, educational, or charitable institutions, societies, or organizations, or organizations conducted for the sole purpose of maintaining symphony orchestras and receiving substantial support from voluntary contributions, or exclusively to the benefit of persons in the military or naval forces of the United States, or admissions to agricultural fairs none of the profits of which are distributed to stockholders or members of the association conducting the same.

The amendment was agreed to.

The next amendment was, on page 191, line 24, to strike out "November 1, 1918," and leave a blank; on page 192, line 2, before the words "per cent," to strike out "20" and insert "10"; in line 6, after the word "organization," to strike out "or to any produce exchange, board of trade, or other similar organization maintaining a place where produce or merchandise is sold, or to any stock exchange"; and in line 10 to strike out "club, exchange," and insert "club," so as to make the section read:

SEC. 801. That from and after — there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 701 of the revenue act of 1917, a tax equivalent to 10 per cent of any amount paid on or after such date, for any period after such date, (a) as dues or membership fees (where the dues or fees of an active resident annual member are in excess of \$10 per year) to any social, athletic, or sporting club or organization; or (b) as initiation fees to such a club or organization, if such fees amount to more than \$10, or if the dues or membership fees (not including initiation fees) of an active resident

annual member are in excess of \$10 per year; such taxes to be paid by the person paying such dues or fees: *Provided*, That there shall be exempted from the provisions of this section all amounts paid as dues or fees to a fraternal society, order, or association, operating under the lodge system. In the case of life membership a life member shall pay annually, at the time for the payment of dues by active resident annual members, a tax equivalent to the tax upon the amount paid by such a member, but shall pay no tax upon the amount paid for life membership.

The amendment was agreed to.

The next amendment was, on page 193, line 5, to strike out "club, organization, or exchange" and insert "club or organization," so as to make the section read:

SEC. 802. That every person (a) receiving any payments for such admission, dues, or fees shall collect the amount of the tax imposed by section 800 or 801 from the person making such payments, or (b) admitting any person free to any place for admission to which a charge is made, shall collect the amount of the tax imposed by section 800 from the person so admitted. Every club or organization having life members, shall collect from such members the amount of the tax imposed by section 801. In all the above cases returns and payments of the amount so collected shall be made at the same time and in the same manner as provided in section 502.

The amendment was agreed to.

The next amendment was, in line 13, after the word "paid," to strike out "in lieu of the taxes imposed by section 600 of the revenue act of 1917," so as to read:

#### TITLE IX.—EXCISE TAXES.

SEC. 900. That there shall be levied, assessed, collected, and paid upon the following articles sold or leased by the manufacturer, producer, or importer, a tax equivalent to the following percentages of the price for which so sold or leased—

The amendment was agreed to.

The next amendment was, in line 18, to strike out "Automobile" and insert "Automobiles, motorcycles, automobile," and in line 20 to strike out "(including tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof)," so as to read:

(1) Automobiles, motorcycles, automobile trucks, automobile wagons, automobile trailers or tractors, 5 per cent.

The amendment was agreed to.

The next amendment was to strike out lines 23, 24, and 25 in the following words:

Other automobiles or motorcycles (including tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), 10 per cent.

The amendment was agreed to.

The next amendment was, on page 194, line 1, to strike out "(3)"; in line 2 to strike out "(or (2))"; and in line 4 to strike out "(or (2), 10" and insert "5," so as to read:

Tires, inner tubes, parts, or accessories, for any of the articles enumerated in subdivision (1), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1), 5 per cent.

The amendment was agreed to.

The next amendment was, on page 194, line 6, to strike out "(4)" and insert "(3)"; in the same line, before "organs," to strike out "pipe" and after "organs" to insert "(other than pipe organs)"; in line 7 to insert "music boxes"; and in line 10, before "per cent," to strike out "10" and insert "5," so as to read:

(3) Pianos, organs (other than pipe organs), piano players, graphophones, phonographs, talking machines, music boxes, and records used in connection with any musical instrument, piano player, graphophone, phonograph, or talking machine, 5 per cent.

The amendment was agreed to.

The next amendment was to strike out lines 11 and 12, in the following words:

(5) Positive moving-picture films containing a picture ready for projection, 10 per cent.

The amendment was agreed to.

The next amendment was, in line 13, to strike out "(6)" and insert "(4)"; in line 21, to strike out "games," and insert "games (""; in line 22, to strike out "games" and insert "games)"; and in the same line, to strike out "other" and insert "similar," so as to read:

(4) Tennis rackets, nets, racket covers and presses, skates, snowshoes, skis, toboggans, canoe paddles and cushions, polo mallets, baseball bats, gloves, masks, protectors, shoes and uniforms, football helmets, harness and goals, basketball goals and uniforms, golf bags and clubs, lacrosse sticks, balls of all kinds, including baseballs, footballs, tennis, golf, lacrosse, billiard and pool balls, fishing rods and reels, billiard and pool tables, chess and checker boards and pieces, dice, games and parts of games (except playing cards and children's toys and games), and all similar articles commonly or commercially known as sporting goods, 10 per cent.

The amendment was agreed to.

The next amendment was, on page 195, line 1, to strike out "(7)" and insert "(5)," and in the same line, after "therefor," to strike out "6" and insert "3," so as to read:

(5) Chewing gum or substitutes therefor, 3 per cent.

The amendment was agreed to.

The next amendment was, in line 3, before "Cameras," to strike out "(8)" and insert "(6)," and after "Cameras," to strike out "weighing not more than 100 pounds," so as to read:

(6) Cameras, 10 per cent.

The amendment was agreed to.

The next amendment was, in line 5, to strike out "(9)" and insert "(7)," and in line 6, to strike out "10" and insert "5," before "per centum," so as to read:

(7) Photographic films and plates, other than moving-picture films, 5 per cent.

The amendment was agreed to.

The next amendment was, in line 7, to strike out "(10)" and insert "(8)," and in the same line, before "per centum," to strike out "10" and insert "5," so as to read:

(8) Candy, 5 per cent.

The amendment was agreed to.

The next amendment was, in line 8, to strike out "(1)" and insert "(9)"; in line 12, after the word "engaged," to insert "against the German Government"; in line 13, after the word "war," to strike out "with the Imperial German Government, 25 per cent in the case of pistols and revolvers and"; and in line 15, after the words "per centum," to strike out "in the case of all other firearms and shells and cartridges," so as to make the paragraph read:

(9) Firearms, shells, and cartridges, except those sold for the use of the United States, any State, Territory, or possession of the United States, any political subdivision thereof, the District of Columbia, or any foreign country while engaged against the German Government in the present war, 10 per cent.

The amendment was agreed to.

The next amendment was, after line 16, to insert:

(10) Hunting and bowie knives, 10 per cent.

The amendment was agreed to.

The next amendment was, in line 18, to strike out "(12)" and insert "(11)"; and, in the same line, to strike out "bowie knives," so as to read:

(11) Dirk knives, daggers, sword canes, stiletos, and brass or metallic knuckles, 100 per cent.

The amendment was agreed to.

The next amendment was, in line 21, to strike out "(13)" and insert "(12)"; in the same line, to strike out "Electric" and insert "Portable electric"; and before the words "per cent," to strike out "10" and insert "5," so as to read:

(12) Portable electric fans, 5 per cent.

The amendment was agreed to.

The next amendment was, in line 22, to strike out "(14)" and insert "(13)"; in line 23, before the word "containers," to insert the word "thermostatic," and after the word "containers" to strike out "10" and insert "5," so as to read:

(13) Thermos and thermostatic bottles, carafes, jugs, or other thermostatic containers, 5 per cent.

The amendment was agreed to.

The next amendment was to strike out from lines 24 to line 2, on page 196, inclusive, in the following words:

(15) Tapestries and textiles for furniture coverings or hangings in the interior decoration of buildings, and imported and American rugs (made principally of wool), 10 per cent.

The amendment was agreed to.

The next amendment was, on page 196, line 3, to strike out "(16)" and insert "(14)," so as to read:

(14) Cigar or cigarette holders and pipes, composed wholly or in part of meerschaum or amber, humidors, and smoking stands, 10 per cent.

The amendment was agreed to.

The next amendment was to strike out lines 6 and 7 in the following words:

(17) Photographs, productions, or reproductions, 10 per cent.

The amendment was agreed to.

The next amendment was to strike out line 8 in the following words:

(18) Cash registers, 10 per cent.

The amendment was agreed to.

The next amendment was, in line 9, to strike out "(19)" and insert "(15)," in line 10, before the words "per cent" to strike out "10" and insert "5," and after the words "per cent" to insert "; if the manufacturer, producer, or importer of any such machine operates it for profit, he shall pay a tax in respect to each such machine put into operation equivalent to 5 per cent of its fair market value," so as to read:

(15) Automatic slot-device weighing or vending machines, 5 per cent; if the manufacturer, producer, or importer of any such machine operates it for profit, he shall pay a tax in respect to each such machine put into operation equivalent to 5 per cent of its fair market value.

The next amendment was, in line 14, to strike out "(20)" and insert "(16)," so as to read:

(16) Liveries and livery boots and hats, 10 per cent.

The amendment was agreed to.

The next amendment was, in line 16, to strike out "(21)" and insert "(17)" before the word "Hunting," and after the word "Hunting" to insert "and shooting," so as to read:

(17) Hunting and shooting garments and riding habits, 10 per cent.

The amendment was agreed to.

The next amendment was to strike out line 18, in the following words:

(22) Bathing suits, 10 per cent.

The amendment was agreed to.

The next amendment was to strike out lines 19 to 24, inclusive, in the following words:

(23) Articles made out of any of the following furs: Seal, Hudson seal, Russian or Hudson Bay sable, ermine, silver fox, natural black fox, natural blue fox, natural American mink, fisher, otter, kolinsky, squirrel, skunk, or mole; or articles of which any such fur is the component material of chief value, 10 per cent.

The amendment was agreed to.

The next amendment was, at the top of page 197, to insert:

(18) Articles made out of any fur, or articles of which fur is the component material of chief value, 10 per cent.

The amendment was agreed to.

The next amendment was, in line 3, to strike out "(24)" and insert "(19)," so as to read:

(19) Yachts and motor boats; and pleasure boats and canoes if sold for more than \$15, 10 per cent; and

The amendment was agreed to.

The next amendment was, in line 5, to strike out "(25)" and insert "(20)"; in the same line, before the word "soap," to insert the word "toilet" and to strike out "10" before "per cent" and insert "3," so as to read:

(20) Toilet soap and toilet-soap powders, 3 per cent.

The amendment was agreed to.

The next amendment was to insert after line 12:

The taxes imposed by this section shall, in the case of any article in respect to which a corresponding tax is imposed by section 600 of the revenue act of 1916, be in lieu of such tax.

Mr. SMOOT. I desire to call the attention of the Senator from North Carolina to the fact that there is a mistake in the date. It should read "the revenue act of 1917" instead of "1916." We might just as well have the change made now.

Mr. SIMMONS. The Senator has verified it?

Mr. SMOOT. Yes; it is absolutely right. I move that amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 197, line 18, after the word "section," to strike out "900" and insert "900, or leases or licenses for exhibition any positive motion-picture film containing a picture ready for projection"; in line 22, to strike out the words "sells or" and insert "sells" before "leases," and after "leases," to insert "or licenses"; on page 198, line 2, before "leased," to strike out the words "sold or," and, after "leased," to insert "or licensed"; in line 4, before the word "lease," to strike out the words "sale or," and, after "lease," to insert "or license"; in line 5, before the word "leased," to strike out "sold or" and insert "sold," and, after "leased," to insert "or licensed," so as to make the section read:

SEC. 901. That if any person manufactures, produces, or imports any article enumerated in section 900, or leases or licenses for exhibition any positive motion-picture film containing a picture ready for projection, and, whether through any agreement, arrangement, or understanding, or otherwise, sells, leases, or licenses such article at less than the fair market price obtainable therefor, either (a) in such manner as directly or indirectly to benefit such person or any person directly or indirectly interested in the business of such person, or (b) with intent to cause such benefit, the amount for which such article is sold, leased, or licensed shall be taken to be the amount which would have been received from the sale, lease, or license of such article if sold, leased, or licensed at the fair market price.

The amendment was agreed to.

The next amendment was, on page 198, to strike out lines 7 to 12, inclusive, in the following words:

SEC. 902. That there shall be levied, assessed, collected, and paid upon all gasoline, naphtha, and other similar petroleum products having a flash point below 100 degrees Fahrenheit, as tested by the Tagliabue open-cup tester, and suitable for motor power, sold by the manufacturer, refiner, or importer, a tax of 2 cents a wine gallon.

The amendment was agreed to.

The next amendment was, in line 13, after "Sec.," to strike out "903" and insert "902"; in line 14, after "paintings," to strike out "and statuary" and insert "statuary, art porcelains, and bronzes"; in line 16, after "artist," to insert: "and upon



antique furniture sold by any person"; in line 17, before "per cent," to strike out "10" and insert "5"; and in line 18, after "sold," to insert: "This section shall not apply to the sale of any such article to an educational institution or art museum," so as to make the section read:

Sec. 902. That there shall be levied, assessed, collected, and paid upon sculpture, paintings, statuary, art porcelains, and bronzes, sold by any person other than the artist, and upon antique furniture sold by any person, a tax equivalent to 5 per cent of the price for which so sold. This section shall not apply to the sale of any such article to an educational institution or art museum.

The amendment was agreed to.

The next amendment was, in line 20, after "Sec.," to strike out "904" and insert "903" before the word "That," and after the word "That" to strike out "each manufacturer, producer, or importer of any of the articles enumerated in section 900 or 902, and every person selling any article enumerated in section 903" and insert "every person liable for any tax imposed by sections 900, 902, or 905"; and in line 25, after the word "imposed," to strike out "on such articles by this title" and insert "by such sections," so as to make the section read:

Sec. 903. That every person liable for any tax imposed by sections 900, 902, or 905 shall make monthly returns under oath in duplicate and pay the taxes imposed by such sections to the collector for the district in which is located the principal place of business. Such returns shall contain such information and be made at such times and in such manner as the commissioner, with the approval of the Secretary, may by regulations prescribe.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, in section 904 (903), page 199, after line 5, to insert:

The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax a penalty of 5 per cent, together with interest at the rate of 1 per cent for each full month, from the time when the tax became due.

The amendment was agreed to.

The next amendment was, on page 199, after line 12, to strike out section 905, in the following language:

Sec. 905. (a) That on and after November 1, 1918, there shall be levied, assessed, collected, and paid a tax equivalent to 20 per cent of so much of the amount paid for any of the following articles as is in excess of the price hereinafter specified as to each such article, when such article is sold on or after such date for consumption or use—

(1) Carpets and rugs, including fiber, except imported and American rugs made principally of wool, on the amount in excess of \$5 per square yard;

(2) Picture frames, on the amount in excess of \$10 each;

(3) Trunks, on the amount in excess of \$50 each;

(4) Valises, traveling bags, suit cases, hat boxes used by travelers, and fitted toilet cases, on the amount in excess of \$25 each;

(5) Purses, pocketbooks, shopping and hand bags, on the amount in excess of \$7.50 each;

(6) Portable lighting fixtures, including lamps of all kinds and lamp shades, on the amount in excess of \$25 each;

(7) Umbrellas, parasols, and sunshades, on the amount in excess of \$4 each;

(8) Fans, on the amount in excess of \$1 each;

(9) House or smoking coats or jackets, and bath or lounging robes, on the amount in excess of \$7.50 each;

(10) Men's waistcoats, sold separately from suits, on the amount in excess of \$5 each;

(11) Men's and boys' suits or overcoats, not including uniforms of officers in the military or naval forces of the United States, on the amount in excess of \$50 each;

(12) Women's and misses' suits, cloaks, and coats, on the amount in excess of \$50 each, or, when made up by a tailor or seamstress, on the amount in excess of \$50 in value each;

(13) Women's and misses' dresses, on the amount in excess of \$40 each, or, when made up by a tailor or seamstress, on the amount in excess of \$40 in value each;

(14) Women's and misses' hats, bonnets, and hoods, on the amount in excess of \$15 each;

(15) Men's and boys' hats, on the amount in excess of \$5 each;

(16) Men's and boys' caps, on the amount in excess of \$2 each;

(17) Men's, women's, misses', and boys' boots, shoes, pumps, and slippers, not including shoes or appliances made to order for any person having a crippled or deformed foot or ankle, on the amount in excess of \$10 per pair;

(18) Men's and boys' neckties and neckwear, on the amount in excess of \$2 each;

(19) Men's and boys' silk stockings or hose, on the amount in excess of \$1 per pair;

(20) Women's and misses' silk stockings or hose, on the amount in excess of \$2 per pair;

(21) Men's shirts, on the amount in excess of \$3 each;

(22) Men's, women's, misses', and boys' pajamas, nightgowns, and underwear, on the amount in excess of \$5 each; and

(23) Kimonos, petticoats, and waists, on the amount in excess of \$15 each.

(b) The tax imposed by this section shall not apply to any article enumerated in paragraphs (2) to (8), both inclusive, of subdivision (a), if such article is made of, or ornamented, mounted, or fitted with, precious metals or imitations thereof or ivory, or to any article enumerated in subdivision (20) or (21) of section 900.

(c) The taxes imposed by this section shall be paid by the purchaser to the vendor at the time of the sale and shall be collected, returned, and paid to the United States by such vendor in the same manner as provided in section 502. As used in this subdivision the term "vendor" includes a tailor or dressmaker making up women's or misses' suits, cloaks, coats, or dresses.

Mr. KENYON. Mr. President, I should like to have that whole section go over, as I propose to offer an amendment to the original text. I think I shall ask that the amendment may be printed, and let the whole section go over.

The VICE PRESIDENT. It will be so ordered.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 906, page 202, line 8, before the word "That," to strike out the numerals "906" and insert "904"; in the same line, after the word "after," to strike out the words "November 1, 1918"; in line 16, after the word "ivory," to insert "(not including surgical instruments)"; in line 19, after the word "sold," to insert "by a dealer"; in line 20, before the words "per cent," to strike out "10" and insert "5"; and after line 20, to strike out "This section shall not apply to any such articles sold by any person whose principal business is not the sale of such articles for consumption or use and whose gross receipt from the sale of such articles (during the preceding year ending June 30) for consumption or use does not exceed \$200," so as to read:

SEC. 904. That on and after — there shall be levied, assessed, collected, and paid (in lieu of the tax imposed by subdivision (e) of section 600 of the revenue act of 1917) upon all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semiprecious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with, precious metals or imitations thereof or ivory (not including surgical instruments); watches; clocks; opera glasses; lorgnettes; marine glasses; field glasses; and binoculars; upon any of the above when sold by a dealer for consumption or use, a tax equivalent to 5 per cent of the price for which so sold.

The amendment was agreed to.

The next amendment was, on page 203, line 5, after the word "imposed," to strike out "on" and to insert "in respect to," so as to make the clause read:

Every person selling any of the articles enumerated in this section shall make returns under oath in duplicate (monthly or quarterly as the commissioner, with the approval of the Secretary, may prescribe) and pay the taxes imposed in respect to such articles by this section to the collector for the district in which is located the principal place of business. Such returns shall contain such information and be made at such times and in such manner as the commissioner, with the approval of the Secretary, may by regulations prescribe.

The amendment was agreed to.

The next amendment was, on page 203, after line 10, to insert:

The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax a penalty of 5 per cent, together with interest at the rate of 1 per cent for each full month, from the time when the tax became due.

The amendment was agreed to.

The next amendment was, on page 203, after line 16, to strike out "section 907," as follows:

SEC. 907. That on and after November 1, 1918, in addition to the tax imposed by section 906, there shall be levied, assessed, collected, and paid, a tax equivalent to 10 per cent of the amount paid for any article commonly or commercially known as jewelry, composed in whole or in part of platinum, when sold on or after such date for consumption or use.

Such tax shall be paid by the purchaser to the vendor at the time of the sale and shall be collected, returned, and paid to the United States by such vendor in the same manner as provided in section 502. The vendor shall include in all returns made under this section the name and address of each purchaser, the price of each article sold to him, and a description thereof, including the quantity and value of the platinum contained therein.

The amendment was agreed to.

The next amendment was, on page 204, after line 6, to insert:

SEC. 905. That on and after the 1st day of —, 1919, any person engaged in the business of leasing or licensing for exhibition positive motion-picture films containing pictures ready for projection shall pay monthly an excise tax in respect to carrying on such business equal to 5 per cent of the total rentals earned from each such lease or license during the preceding month. If a person owning such a film exhibits it for profit he shall pay a tax equivalent to 5 per cent of the fair rental or license value of such film at the time and place where and for the period during which exhibited. If any such person has, prior to December 6, 1918, made a bona fide contract with any person for the lease or licensing, after the tax imposed by this section takes effect, of such a film for exhibition or profit, and if such contract does not permit the adding of the whole of the tax imposed by this section to the amount to be paid under such contract, then the lessee or licensee shall, in lieu of the lessor or licensor, pay so much of such tax as is not so permitted to be added to the contract price. The tax imposed by this section shall be in lieu of the tax imposed by subdivisions (c) and (d) of section 600 of the revenue act of 1917.

The amendment was agreed to.

The next amendment was, in section 908, page 205, line 3, after the word "Sec.," to strike out the numerals "908" and to insert "906"; in the same line, after the word "after," to strike out "November 1, 1918"; in line 7, after the word "each," to strike out "10" and to insert "25"; and in

line 8, after the word "sold," to insert "by a dealer," so as to make the clause read:

SEC. 906. (a) That on and after — there shall be levied, assessed, collected, and paid (in lieu of the taxes imposed by subdivisions (g) and (h) of section 600 of the revenue act of 1917) a tax of 1 cent for each 25 cents or fraction thereof of the amount paid for any of the following articles when sold by a dealer on or after such date for consumption or use.

The amendment was agreed to.

The next amendment was, on page 206, line 10, after the word "body," to insert:

*Provided*, That the provisions of this section shall not apply to the sale of medicinal preparations which are not advertised to the general lay public.

The amendment was agreed to.

The next amendment was, on page 206, after line 20, to strike out section 909, as follows:

SEC. 909. That upon all articles (other than second-hand articles) enumerated in section 906 upon the sale of which no tax was imposed by section 600 or 602 of the revenue act of 1917, and which on the day after the passage of this act are held and intended for sale by any person, there shall be levied, assessed, collected, and paid a floor tax equivalent to the tax imposed by section 900 of this act upon the sale of such articles. This tax shall be paid by the person so holding such articles.

The taxes imposed by this section shall be assessed, collected, and paid in the same manner as provided in section 1306 in the case of floor taxes upon articles upon which the tax imposed by existing law has been paid.

The amendment was agreed to.

The next amendment was, on page 207, after line 8, to strike out section 910, as follows:

SEC. 910. That upon all articles (other than second-hand articles) enumerated in section 900 in respect to which the tax imposed by section 600 or 602 of the revenue act of 1917 was payable, and which on the day after the passage of this act are held and intended for sale by any person, there shall be levied, assessed, collected, and paid a floor tax equivalent to the difference between (a) the tax imposed by section 900 of this act upon the sale of such articles and (b) the corresponding tax imposed by section 600 of the revenue act of 1917.

The amendment was agreed to.

The next amendment was, on page 207, after line 18, to insert as a new section the following:

SEC. 907. That under such rules and regulations as the commissioner, with the approval of the Secretary, may prescribe, the tax imposed under the provisions of this title shall not apply in respect to articles sold or leased for export and in due course so exported. Under such rules and regulations the amount of any internal-revenue tax erroneously or illegally collected in respect to exported articles may be refunded to the exporter of the article, instead of to the manufacturer, if the manufacturer waives any claim for the amount so to be refunded.

The amendment was agreed to.

The next amendment was, under the heading "Title X.—Special taxes," in section 1000, page 208, line 8, after the word "corporation," to insert "other than a life insurance company"; and in line 11, after the word "of," to strike out "so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of \$5,000. In estimating the value of capital stock the surplus and undivided profits shall be included," and insert: "the excess over \$5,000 of the amount of its net assets shown by its books as of the close of the preceding annual period used by the corporation for purposes of making its income-tax return; but if the corporation made no such return, then of the excess over \$5,000 of the amount of its net assets shown by its books as of the 30th day of June preceding"; so as to make the paragraph read:

(1) Every domestic corporation other than a life insurance company shall pay annually a special excise tax with respect to carrying on or doing business, equivalent to \$1 for each \$1,000 of the excess over \$5,000 of the amount of its net assets shown by its books as of the close of the preceding annual period used by the corporation for purposes of making its income-tax return; but if the corporation made no such return, then of the excess over \$5,000 of the amount of its net assets shown by its books as of the 30th day of June preceding.

The amendment was agreed to.

The next amendment was, on page 208, line 21, after the word "corporation," to insert "other than a life insurance company"; and in line 24, after the word "capital," to strike out "actually invested" and insert "employed," so as to make the paragraph read:

(2) Every foreign corporation other than a life insurance company shall pay annually a special excise tax with respect to carrying on or doing business in the United States, equivalent to \$1 for each \$1,000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ending June 30.

The amendment was agreed to.

The next amendment was, on page 209, after line 2, to strike out:

(b) In computing the tax in the case of insurance companies such deposits and reserve funds as they are required by law or contract to maintain or hold for the protection of or payment to or apportionment among policyholders shall not be included.

The amendment was agreed to.

The next amendment was, on page 209, at the beginning of line 8, to strike out "(c)" and insert "(b)."

The amendment was agreed to.

The next amendment was, on page 209, at the beginning of line 13, to strike out "(d)" and insert "(c)."

The amendment was agreed to.

The next amendment was, in section 1001, on page 209, line 16, after the word "annually," to strike out "in lieu of the taxes imposed by section 407 of the revenue act of 1916"; in line 19, after the word "pay," to strike out "\$100" and insert "\$40"; on page 210, line 5, after the word "was," to strike out "not more than \$2,000, \$50; if such value was more than"; and in line 6, after the numerals "\$2,000," to strike out "and" and insert "or more but," so as to read:

SEC. 1001. That on and after January 1, 1919, there shall be levied, collected, and paid annually the following special taxes—

(1) Brokers shall pay \$40. Every person whose business it is to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce or merchandise, for others, shall be regarded as a broker. If a broker is a member of a stock exchange, or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall pay an additional amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was \$2,000 or more but not more than \$5,000, \$100; if such value was more than \$5,000, \$150.

The amendment was agreed to.

The next amendment was, on page 210, line 13, after the word "pawnbroker," to insert: "If the gross receipts of such pawnbroker for the preceding year ending June 30 were \$2,000 or more but not more than \$5,000, he shall pay \$100 additional; if such gross receipts were more than \$5,000 he shall pay \$150 additional," so as to make the paragraph read:

(2) Pawnbrokers shall pay \$100. Every person whose business or occupation it is to take or receive, by way of pledge, pawn, or exchange, any goods, wares, or merchandise, or any kind of personal property whatever, as security for the repayment of money loaned thereon, shall be regarded as a pawnbroker. If the gross receipts of such pawnbroker for the preceding year ending June 30 were \$2,000 or more but not more than \$5,000, he shall pay \$100 additional; if such gross receipts were more than \$5,000 he shall pay \$150 additional.

The amendment was agreed to.

The next amendment was, on page 210, line 18, after the word "pay," to strike out "\$50" and insert "\$40," so as to make the paragraph read:

(3) Ship brokers shall pay \$40. Every person whose business it is as a broker to negotiate freights and other business for the owners of vessels, or for the shippers or consignors or consignees of freight carried by vessels, shall be regarded as a ship broker.

The amendment was agreed to.

The next amendment was, on page 210, line 23, after the word "pay," to strike out "\$50" and insert "\$40," so as to make the paragraph read:

(4) Customhouse brokers shall pay \$40. Every person whose occupation it is, as the agent of others, to arrange entries and other customhouse papers, or transact business at any port of entry relating to the importation or exportation of goods, wares, or merchandise, shall be regarded as a customhouse broker.

The amendment was agreed to.

The next amendment was, on page 211, line 16, after the word "representations," to insert "and not including edifices owned by religious, educational or charitable institutions, societies or organizations where all the proceeds from admissions inure exclusively to the benefit of such institutions, societies, or organizations or exclusively to the benefit of persons in the military or naval forces of the United States," so as to make the paragraph read:

(5) Proprietors of theaters, museums, and concert halls, where a charge for admission is made, having a seating capacity of not more than 250, shall pay \$50; having a seating capacity of more than 250 and not exceeding 500, shall pay \$100; having a seating capacity exceeding 500 and not exceeding 800, shall pay \$150; having a seating capacity of more than 800, shall pay \$200. Every edifice used for the purpose of dramatic or operatic or other representations, plays, or performances, for admission to which entrance money is received, not including halls or armories rented or used occasionally for concerts or theatrical representations, and not including edifices owned by religious, education, or charitable institutions, societies, or organizations where all the proceeds from admissions inure exclusively to the benefit of such institutions, societies, or organizations or exclusively to the benefit of persons in the military or naval forces of the United States, shall be regarded as a theater: *Provided*, That in cities, towns, or villages of 5,000 inhabitants or less the amount of such payment shall be one-half of that above stated: *Provided further*, That whenever any such edifice is under lease at the time the tax is due, the tax shall be paid by the lessee, unless otherwise stipulated between the parties to the lease.

The amendment was agreed to.

The next amendment was, on page 212, after the word "pay," at the end of line 4, to strike out "\$200" and insert "\$100," so as to make the paragraph read:

(6) The proprietor or proprietors of circuses shall pay \$100. Every building, space, tent, or area, where feats of horsemanship or acrobatic sports or theatrical performances not otherwise provided for in this section are exhibited shall be regarded as a circus: *Provided*, That no special tax paid in one State, Territory, or the District of Columbia



shall exempt exhibitions from the tax in another State, Territory, or the District of Columbia, and but one special tax shall be imposed for exhibitions within any one State, Territory, or District.

The amendment was agreed to.

The next amendment was, on page 212, line 16, after the word "pay," to strike out "\$20" and to insert "\$15," and on page 213, line 1, after the word "than," to strike out "\$200" and insert "\$100," so as to make the paragraph read:

(7) Proprietors or agents of all other public exhibitions or shows for money not enumerated in this section shall pay \$15: *Provided*, That a special tax paid in one State, Territory, or the District of Columbia shall not exempt exhibitions from the tax in another State, Territory, or the District of Columbia, and but one special tax shall be required for exhibitions within any one State, Territory, or the District of Columbia: *Provided further*, That this paragraph shall not apply to Chautauquas, lecture lyceums, agricultural or industrial fairs, or exhibitions held under the auspices of religious or charitable associations: *Provided further*, That an aggregation of entertainments, known as a street fair, shall not pay a larger tax than \$100 in any State, Territory, or in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 213, line 16, after the word "operating," to insert "or renting"; in line 17, before the word "automobiles," to strike out "sight-seeing" and insert "passenger"; in the same line, after the word "automobiles," to insert "for hire"; and at the beginning of line 18 to strike out "a tax equivalent to 10 per cent of the gross receipts during the preceding year ending June 30 from the operation of" and insert "\$10 for each such automobile having a seating capacity of more than two and not more than seven, and \$20 for," so as to make the paragraph read:

(11) Persons carrying on the business of operating or renting passenger automobiles for hire shall pay \$10 for each such automobile having a seating capacity of more than two and not more than seven, and \$20 for each such automobile having a seating capacity of more than seven.

The amendment was agreed to.

The next amendment was, on page 213, after line 22, to strike out:

(12) Every person carrying on the business of a brewer, distiller, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquor, retail dealer in malt liquor, or manufacturer of stills, as defined in section 3244 as amended and section 3247 of the Revised Statutes, in any State, Territory, or District of the United States contrary to the laws of such State, Territory, or District, or in any place therein in which carrying on such business is prohibited by local or municipal law, shall pay, in addition to all other taxes, special or otherwise, imposed by existing law or by this act, \$1,000.

The payment of the tax imposed by this subdivision shall not be held to exempt any person from any penalty or punishment provided for by the laws of any State, Territory, or District for carrying on such business in such State, Territory, or District, or in any manner to authorize the commencement or continuance of such business contrary to the laws of such State, Territory, or District, or in places prohibited by local or municipal law.

(13) Persons engaged in any trade, business, or profession whose gross receipts therefrom for the preceding year ending June 30, exceed \$2,500, shall pay \$10. If such person is a wholesaler, he shall pay \$5 additional.

This subdivision shall not apply to agriculture, to any person subject to any special tax under this section or under section 1000, 1002, 1005, or 1007, or to persons paying special taxes upon the business of manufacturing, rectifying, or dealing in distilled spirits, malt liquors, stills, oleomargarine, adulterated, process, or renovated butter, filled cheese, or mixed flour.

And insert:

The taxes imposed by this section shall, in the case of persons upon whom a corresponding tax is imposed by section 407 of the revenue act of 1916, be in lieu of such tax.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, has paragraph (13) been adopted, or was that all taken as one amendment? It is on page 214.

The PRESIDING OFFICER (Mr. KENDRICK in the chair). That was considered as one amendment.

Mr. JONES of Washington. I ask that that go over.

Mr. SIMMONS. To what section does the Senator refer?

Mr. JONES of Washington. I had in mind especially the paragraph numbered (13) stricken out on page 214. I have received several telegrams that I think affect that provision.

Mr. SIMMONS. What does the Senator wish to go over—all after line 16 on page 214 down to and including line 2 on page 215?

Mr. JONES of Washington. No; I think simply the provision on page 215. I see that the committee has stricken out the provision on page 214, and I think that is what the senders of these telegrams wanted done with it. I do not know what the effect of the amendment on page 215 is, so I will ask that that may go over until I have an opportunity to examine it. I have no objection to the amendment striking out the paragraph on page 214. All that I ask to go over is lines 3, 4, and 5 on page 215.

Mr. SIMMONS. Mr. President, that has nothing to do with the matter stricken out.

Mr. JONES of Washington. I have no objection, then, to having these paragraphs stricken out; but I want the proposed amendment on lines 3, 4, and 5, page 215, to go over.

The PRESIDING OFFICER. Lines 3, 4, and 5, page 215, will be passed over.

Mr. SIMMONS. As I understand, the amendment striking out the part before those lines has been agreed to?

The PRESIDING OFFICER. That amendment has been agreed to. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 1002, page 215, line 21, after the word "pay," to insert "\$24, and," and in line 22, after the word "thereof," to insert "in respect to the excess over 200,000 pounds," so as to make the paragraph read:

Manufacturers of tobacco whose annual sales exceed 200,000 pounds shall each pay \$24, and at the rate of 16 cents per thousand pounds, or fraction thereof, in respect to the excess over 200,000 pounds.

The amendment was agreed to.

The next amendment was, on page 216, line 11, after the word "pay," to insert "\$24, and," and in line 12, after the word "thereof," to insert "in respect to the excess over 400,000 cigars," so as to make the paragraph read:

Manufacturers of cigars whose annual sales exceed 400,000 cigars shall each pay \$24, and at the rate of 10 cents per thousand cigars, or fraction thereof, in respect to the excess over 400,000 cigars.

The amendment was agreed to.

The next amendment was, in section 1003, page 217, line 5, before the word "tons," to strike out "net" and insert "gross"; in line 6, after the word "for," to strike out "trade" and insert "trade, fishing"; in line 11, before the word "tons," to strike out "net" and insert "gross"; and, in line 14, before the word "tons," to strike out "net" and insert "gross," so as to make the paragraph read:

SEC. 1003. That 60 days after the passage of this act, and thereafter on July 1 in each year, and also at the time of the original purchase of a new boat by a user, if on any other date than July 1, there shall be levied, assessed, collected, and paid in lieu of the tax imposed by section 603 of the revenue act of 1917, upon the use of yachts, pleasure boats, power boats, and sailing boats of over 5 gross tons, and motor boats with fixed engines not used exclusively for trade, fishing, or national defense, or not built according to plans and specifications approved by the Navy Department, a special excise tax, to be based on each yacht or boat at rates as follows: Yachts, pleasure boats, power boats, motor boats with fixed engines, and sailing boats of over 5 gross tons, length not over 50 feet, \$1 for each foot; length over 50 feet and not over 100 feet, \$2 for each foot; length over 100 feet, \$4 for each foot; motor boats of not over 5 gross tons with fixed engines, \$10.

The amendment was agreed to.

The next amendment was, in section 1004, page 218, after line 21, to insert:

If the corresponding tax imposed by section 407 of the revenue act of 1916 was not payable by stamp, the amount paid under such section for any period for which a tax is also imposed by this title may be credited against the tax imposed by this title.

The amendment was agreed to.

The next amendment was, on page 219, after line 2, to strike out:

SEC. 1005. That on and after January 1, 1919, every person any part of whose business consists of the retailing of merchandise through or upon orders received by mail shall pay annually a special excise tax equivalent to 1 per cent of the gross amount in excess of \$100,000 received by such person from such retail sales during the preceding year ending June 30.

The amendment was agreed to.

The next amendment was, on page 219, after line 9, to strike out:

SEC. 1006. That 60 days after the passage of this act, and thereafter on July 1 in each year, and also at the time of the purchase of a new or used automobile or motorcycle by a user, if on any other date than July 1, there shall be levied, assessed, collected, and paid upon the use of automobiles and motorcycles a special excise tax at rates as follows: Motorcycles, \$5; automobiles (other than electric) of 23 horsepower or less, \$10; more than 23 horsepower and not more than 30 horsepower, \$20; more than 30 horsepower and not more than 40 horsepower, \$30; and more than 40 horsepower, \$50; electric automobiles, \$5 per horsepower and 50 cents for each 100 pounds of weight.

In the case of a tax imposed at the time of the purchase of an automobile or motorcycle on any other date than July 1, and in the case of the tax taking effect 60 days after the passage of this act, the amount to be paid shall be the same number of twelfths of the amount of the tax as the number of calendar months (including the month of sale or the month in which is included the sixty-first day after the passage of this act, as the case may be) remaining prior to the following July 1.

For the purposes of this section the horsepower of all automobiles other than steam or electric shall be computed as follows: Square the diameter of the cylinder in inches, multiply by the number of cylinders, and divide by two and one-half. In the case of steam or electric automobiles, the horsepower for the purposes of this section shall be the horsepower rating fixed and advertised by the manufacturer or importer thereof at the time when sold by him.

The amendment was agreed to.

The next amendment was, on page 220, after line 13, to strike out:

Sec. 1007. That on and after January 1, 1919, every manufacturer of automatic vending or weighing machines who operates such machines shall pay annually a special excise tax equivalent to 5 per cent of the gross amount received by him from such operation during the preceding year ending June 30.

The amendment was agreed to.

The next amendment was, on page 220, after line 19, to insert:

Sec. 1005. That any person who carries on any business or occupation for which a special tax is imposed by sections 1000, 1001, or 1002, without having paid the special tax therein provided, shall, besides being liable for the payment of such special tax, be subject to a penalty of not more than \$1,000 or to imprisonment for not more than one year, or both.

The amendment was agreed to.

The next amendment was, on page 221, line 3, to change the number of the section from "1008" to "1006."

The amendment was agreed to.

The next amendment was, in section 1006, page 221, line 6, after the word "on" to strike out "and after January 1, 1919," and insert "or before July 1 of each year"; in line 13, after the word "on" to strike out "and on or before the 1st day of July, annually thereafter"; in line 13, after the word "pay" to insert "the"; and in the same line, after the word "taxes" to strike out "as follows" and insert "hereinafter provided"; so as to make the paragraph read:

SECTION 1. That on or before July 1 of each year every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, or gives away opium or coca leaves, or any compound, manufacture, salt, derivative, or preparation thereof, shall register with the collector of internal revenue of the district his name or style, place of business, and place or places where such business is to be carried on, and pay the special taxes hereinafter provided.

The amendment was agreed to.

The next amendment was, on page 221, after line 15, to insert:

Every person who on January 1, 1919, is engaged in any of the activities above enumerated, or who between such date and the passage of this act first engages in any of such activities, shall within 30 days after the passage of this act make like registration, and shall pay the proportionate part of the tax for the period ending June 30, 1919; and

Every person who first engages in any of such activities after the passage of this act shall immediately make like registration and pay the proportionate part of the tax for the period ending on the following June 30.

The amendment was agreed to.

The next amendment was, on page 222, line 6, after the word "they," to insert "in the course of their professional practice," so as to make the paragraph read:

Importers, manufacturers, producers, or compounders, \$24 per annum; wholesale dealers, \$12 per annum; retail dealers, \$6 per annum; physicians, dentists, veterinary surgeons, and other practitioners lawfully entitled to distribute, dispense, give away, or administer any of the aforesaid drugs to patients upon whom they in the course of their professional practice are in attendance, shall pay \$3 per annum.

The amendment was agreed to.

The next amendment was, on page 225, line 11, after the word "practitioner," to insert "in the course of his professional practice," so as to make the paragraph read:

It shall be unlawful for any person to purchase, sell, dispense, or distribute any of the aforesaid drugs except in the original stamped package or from the original stamped package; and the absence of appropriate tax-paid stamps from any of the aforesaid drugs shall be prima facie evidence of a violation of this section by the person in whose possession same may be found; and the possession of any original stamped package containing any of the aforesaid drugs by any person who has not registered and paid special taxes as required by this section shall be prima facie evidence of liability to such special tax: *Provided*, That the provisions of this paragraph shall not apply to any person having in his or her possession any of the aforesaid drugs which have been obtained from a registered dealer in pursuance of a prescription, written for legitimate medical uses, issued by a physician, dentist, veterinary surgeon, or other practitioner registered under this act; and where the bottle or other container in which such drug may be put up by the dealer upon said prescription bears the name and registry number of the druggist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person writing said prescription; or to the dispensing or administration, or giving away of any of the aforesaid drugs to a patient by a registered physician, dentist, veterinary surgeon, or other practitioner in the course of his professional practice in personal attendance upon such patient, and where said drugs are dispensed or administered to the patient for legitimate medical purposes, and the record kept as required by this act of the drugs so dispensed, administered, distributed, or given away.

The amendment was agreed to.

The next amendment was, on page 226, after line 14, to strike out:

Sec. 1009. That section 6 of such act of December 17, 1914, is hereby amended to read as follows:

"Sec. 6. That the provisions of this act shall not apply to decocanized coca leaves from which all cocaine and other related alkaloids or associated salts have been extracted, nor to preparations of such decocanized coca leaves."

The amendment was agreed to.

The next amendment was, on page 226, line 21, to change the number of the section from "1010" to "1007."

The amendment was agreed to.

The next amendment was, on page 227, line 23, to change the number of the section from "1011" to "1008."

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, on page 234, line 18, after the word "thereof," to strike out "and on all policies of guaranty and fidelity insurance, including policies guaranteeing titles to real estate and mortgage guarantee policies"; in line 23, after the word "except," to strike out "such as may be" and insert "fidelity and surety bonds taxable under subdivision (b) of section 503, and bonds," and in line 25, after the word "cents," to strike out the proviso in the following words:

*Provided*, That where a premium is charged for the execution of such bond the tax shall be 1 cent on each dollar or fractional part thereof of the premium charged: *Provided further*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

So as to read:

#### SCHEDULE A.—STAMP TAXES.

1. Bonds of indebtedness: On all bonds, debentures, or certificates of indebtedness issued by any person, and all instruments, however termed, issued by any corporation with interest coupons or in registered form, known generally as corporate securities, on each \$100 of face value or fraction thereof, 5 cents: *Provided*, That every renewal of the foregoing shall be taxed as a new issue: *Provided further*, That when a bond conditioned for the repayment or payment of money is given in a penal sum greater than the debt secured, the tax shall be based upon the amount secured.

2. Bonds, indemnity and surety: On all bonds executed for indemnifying any person who shall have become bound or engaged as surety, and on all bonds executed for the due execution or performance of any contract, obligation, or requirement, or the duties of any office or position, and to account for money received by virtue thereof, and on all other bonds of any description, made, issued, or executed, not otherwise provided for in this schedule, except fidelity and surety bonds taxable under subdivision (b) of section 503, and bonds required in legal proceedings, 50 cents.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, on page 237, line 18, after the word "merchandise," to strike out "at" and insert "at, or under the rules or usages of," so as to read:

5. Produce, sales of, on exchange: Upon each sale, agreement of sale, or agreement to sell (not including so-called transferred or scratch sales), any products or merchandise at, or under the rules or usages of, any exchange, or board of trade, or other similar place, for future delivery, for each \$100 in value of the merchandise covered by said sale or agreement of sale or agreement to sell, 2 cents, and for each additional \$100 or fractional part thereof in excess of \$100, 2 cents.

The amendment was agreed to.

The next amendment was, on page 241, after line 23, to insert:

15. On each policy of insurance, or certificate, binder, covering note, memorandum, cablegram, letter or other instrument by whatever name called whereby insurance is made or renewed upon property within the United States (including rents and profits) against peril by sea or on inland waters or in transit on land (including transshipments and storage at termini or way points) or by fire, lightning, tornado, windstorm, bombardment, invasion, insurrection or riot, issued to or for or in the name of a domestic corporation or partnership or an individual resident of the United States by any foreign corporation or partnership or any individual not a resident of the United States, when such policy or other instrument is not signed or countersigned by an officer or agent of the insurer in a State, Territory, or district of the United States within which such insurance is authorized to do business, a tax of 5 cents on each dollar, or fractional part thereof of the premium charged: *Provided*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

Any person to or for whom or in whose name any such policy or other instrument is issued, or any solicitor or broker acting for or on behalf of such person in the procurement of any such policy or other instrument, shall affix the proper stamps to such policy or other instrument and for failure to affix such stamps with intent to evade the tax shall, in addition to other penalties provided therefor, pay a fine of double the amount of the tax.

The amendment was agreed to.

The next amendment was, on page 243, beginning with line 1, to strike out:

#### TITLE XII.—ADVISORY TAX BOARD.

"SEC. 1200. That there is hereby created a board to be known as the "advisory tax board," hereinafter called the board, and to be composed of five members to be appointed by the President of the United States, by and with the advice and consent of the Senate. The board shall remain in existence during the continuance of the present war with the Imperial German Government and for a period of 12 months after the termination of such war, as declared by proclamation of the President.

Vacancies in the membership of the board shall be filled in the same manner as an original appointment. Any member shall be subject to removal by the President. The President shall designate the chairman of the board. Each member shall receive an annual salary of \$9,000, payable monthly, together with actual necessary expenses when absent from the District of Columbia on official business.

SEC. 1201. That the Secretary or the commissioner may and on the request of any taxpayer directly interested shall, submit to the board any question relating to the interpretation or administration of the internal revenue laws, and the board shall report its findings and recommendations to the Secretary or the commissioner, as the case may be.

SEC. 1202. That the board shall have its office in the Bureau of Internal Revenue in the District of Columbia. The expenses and salaries of members of the board shall be audited, allowed, and paid



out of appropriations for collecting internal revenue, in the same manner as expenses and salaries of employees of the Bureau of Internal Revenue are audited, allowed, and paid.

SEC. 1203. That the board shall have the power to summon witnesses, take testimony, administer oaths, and to require any person to produce books, papers, documents, or other data relating to any matter under investigation by the board. Any member of the board may sign subpoenas and members and employees of the Bureau of Internal Revenue designated to assist the board, when authorized by the board, may administer oaths, examine witnesses, take testimony, and receive evidence.

The amendment was agreed to.

The next amendment was, on page 244, after line 14, to insert:

**TITLE XII.—TAX ON EMPLOYMENT OF CHILD LABOR.**

SEC. 1200. That every person (other than a bona fide boys' or girls' scanning club recognized by the Agricultural Department of a State and of the United States) operating (a) any mine or quarry situated in the United States in which children under the age of 16 years have been employed or permitted to work during any portion of the taxable year; or (b) any mill, cannery, workshop, factory, or manufacturing establishment situated in the United States in which children under the age of 14 years have been employed or permitted to work, or children between the ages of 14 and 16 have been employed or permitted to work more than eight hours in any day or more than six days in any week, or after the hour of 7 o'clock p. m., or before the hour of 6 o'clock a. m., during any portion of the taxable year, shall pay for each taxable year, in addition to all other taxes imposed by law, an excise tax equivalent to 10 per cent of the entire net profits received or accrued for such year from the sale or disposition of the product of such mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment.

SEC. 1201. That in computing net profits under the provisions of this title, for the purpose of the tax there shall be allowed as deductions from the gross amount received or accrued for the taxable year from the sale or disposition of such products manufactured within the United States the following items:

- (a) The cost of raw materials entering into the production;
- (b) Running expenses, including rentals, cost of repairs, and maintenance, heat, power, insurance, management, and a reasonable allowance for salaries or other compensations for personal services actually rendered, and for depreciation;
- (c) Interest paid within the taxable year on debts or loans contracted to meet the needs of the business, and the proceeds of which have been actually used to meet such needs;
- (d) Taxes of all kinds paid during the taxable year with respect to the business or property relating to the production; and
- (e) Losses actually sustained within the taxable year in connection with the business of producing such products, including losses from fire, flood, storm, or other casualties, and not compensated for by insurance or otherwise.

SEC. 1202. That if any such person during any taxable year or part thereof, whether under any agreement, arrangement, or understanding or otherwise, sells or disposes of any product of such mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment at less than the fair market price obtainable therefor either (a) in such manner as directly or indirectly to benefit such person or any person directly or indirectly interested in the business of such person; or (b) with intent to cause such benefit; the gross amount received or accrued for such year or part thereof from the sale or disposition of such product shall be taken to be the amount which would have been received or accrued from the sale or disposition of such product if sold at the fair market price.

SEC. 1203. (a) That no person subject to the provisions of this title shall be liable for the tax herein imposed if the only employment or permission to work which but for this section would subject him to the tax, has been of a child as to whom such person has in good faith procured at the time of employing such child or permitting him to work, and has since in good faith relied upon and kept on file a certificate, issued in such form, under such conditions and by such persons as may be prescribed by a board consisting of the Secretary, the commissioner, and the Secretary of Labor, showing the child to be of such age as not to subject such person to the tax imposed by this title. Any person who knowingly makes a false statement or presents false evidence in or in relation to any such certificate or application therefor shall be punished by a fine of not less than \$100, nor more than \$1,000, or by imprisonment for not more than three months, or by both such fine and imprisonment, in the discretion of the court.

In any State designated by such board an employment certificate or other similar paper as to the age of the child, issued under the laws of that State, and not inconsistent with the provisions of this title, shall have the same force and effect as a certificate herein provided for.

(b) The tax imposed by this title shall not be imposed in the case of any person who proves to the satisfaction of the Secretary that the only employment or permission to work which but for this section would subject him to the tax, has been of a child employed or permitted to work under a mistake of fact as to the age of such child, and without intention to evade the tax.

SEC. 1204. That on or before the first day of the third month following the close of each taxable year, a true and accurate return under oath shall be made by each person subject to the provisions of this title to the collector for the district in which such person has his principal office or place of business, in such form as the commissioner, with the approval of the Secretary, shall prescribe, setting forth specifically the gross amount of income received or accrued during such year from the sale or disposition of the product of any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which children have been employed subjecting him to the tax imposed by this title, and from the total thereof deducting the aggregate items of allowance authorized by this title, and such other particulars as to the gross receipts and items of allowance as the commissioner, with the approval of the Secretary, may require.

SEC. 1205. That all such returns shall be transmitted forthwith by the collector to the commissioner, who shall, as soon as practicable, assess the tax found due and notify the person making such return of the amount of tax for which such person is liable, and such person shall pay the tax to the collector on or before 30 days from the date of such notice.

SEC. 1206. That for the purposes of this act the commissioner, or any other person duly authorized by him, shall have authority to enter and inspect at any time any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment. The Secretary of Labor, or any person duly authorized by him, shall, for the purpose of complying with a request of the commissioner to make such an inspection, have like

authority, and shall make report to the commissioner of inspections made under such authority in such form as may be prescribed by the commissioner, with the approval of the Secretary of the Treasury.

Any person who refuses or obstructs entry or inspection authorized by this section shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or both such fine and imprisonment.

SEC. 1207. That as used in this title the term "taxable year" shall have the same meaning as provided for the purposes of income tax in section 200. The first taxable year for the purposes of this title shall be the period between 60 days after the passage of this act and December 31, 1919, both inclusive, or such portion of such period as is included within the fiscal year (as defined in section 200) of the taxpayer.

Mr. SMITH of Georgia. I know there are several Senators who desire to be heard on this provision, and I therefore ask that it may go over.

The PRESIDING OFFICER. Without objection, the amendment goes over.

The reading of the bill was continued.

The next amendment was, on page 251, line 3, after the word "appointed," to strike out "from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil-service law" and insert "as provided by law," so as to read:

**TITLE XIII.—GENERAL ADMINISTRATIVE PROVISIONS.**

SEC. 1300. That hereafter the salary of the commissioner shall be \$10,000 a year. The difference between the amount appropriated under existing law and the salary herein established shall, for the period between the passage of this act and July 1, 1919, be paid out of the appropriations for collecting internal revenue.

SEC. 1301. (a) That hereafter there may be employed in the Bureau of Internal Revenue, in lieu of the deputy commissioners whose salaries are now fixed by law, five deputy commissioners and an assistant to the commissioner, who shall each receive a salary of \$5,000 a year, payable monthly. The assistant to the commissioner may be authorized by the commissioner to perform any duties which the deputy commissioners may perform under existing law.

(b) The salaries of collectors may be readjusted and increased under such regulations as may be prescribed by the commissioner, subject to the approval of the Secretary, but no collector shall receive a salary in excess of \$6,000 a year.

(c) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1919, the sum of \$7,500,000 for the expenses of assessing and collecting the internal-revenue taxes as provided in this act, including the employment of necessary officers, attorneys, experts, agents, inspectors, deputy collectors, clerks, janitors, and messengers, in the District of Columbia and the several collection districts, to be appointed as provided by law.

Mr. SMOOT. I ask that that may go over.

The PRESIDING OFFICER. Without objection, the amendment goes over.

The next amendment was, on page 251, line 7, after the word "equipment," to insert "furniture," and in line 9, after the word "reference," to insert "not to exceed \$500 for street car fares in the District of Columbia," so as to read:

telegraph and telephone service, rental and repair of quarters, postage, and the purchase of such supplies, equipment, furniture, mechanical devices, printing, stationery, law books and books of reference, not to exceed \$500 for street car fares in the District of Columbia, and such other articles as may be necessary for use in the District of Columbia and the several collection districts: *Provided*, That not more than \$2,750,000 of the total amount appropriated by this section may be expended in the Bureau of Internal Revenue in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 251, line 15, to insert the following additional proviso:

*Provided further*, That not more than \$60,000 of the total amount appropriated by this section may be expended for salaries and traveling expenses of members of an "advisory tax board," to be appointed by the commissioner, with the approval of the Secretary. Under rules and regulations prescribed by the commissioner, with the approval of the Secretary, the secretary of the commissioner may, and on the request of any taxpayer directly interested shall, submit to the board any question relating to the interpretation or administration of the internal-revenue laws. Such board shall have the power to summon witnesses, to take testimony, administer oaths, and require any person to produce books, papers, documents, or other papers relating to any matter under investigation by the board. Such board may be continued for two years.

Mr. SMOOT. In line 21 the word "of" should be stricken out where it occurs the second time and "or" should be inserted after the word "Secretary" so as to read: "with the approval of the Secretary, the Secretary or the commissioner may." I move that amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 253, line 23, before the word "Islands" to strike out "West Indian" and insert "Virgin" and after "Islands" to strike out "acquired from Denmark," so as to read:

SEC. 1304. That there shall be levied, collected, and paid in the United States, upon articles coming into the United States from the Virgin Islands a tax equal to the internal-revenue tax imposed in the United States upon like articles of domestic manufacture; such articles shipped from such islands to the United States shall be exempt from the payment of any tax imposed by the internal-revenue laws of such islands: *Provided*, That there shall be levied, collected, and paid in such islands, upon articles imported from the United States, a tax equal

to the internal-revenue tax imposed in such islands upon like articles there manufactured; and such articles going into such islands from the United States shall be exempt from payment of any tax imposed by the internal-revenue laws of the United States.

The amendment was agreed to.

The next amendment was, on page 254, to strike out lines 20 to 23, inclusive, in the following words:

Whenever in the judgment of the commissioner necessary he may require any person, by notice served upon him, to make a return or such statements as he deems sufficient to show whether or not such person is liable to tax.

And to insert:

The commissioner, with the approval of the Secretary, may require any person, whether liable to tax or not, to file returns of income or such statements as may be deemed by him to be sufficient to show whether or not such person is so liable.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, on page 256, after line 10, to strike out section 1308, as follows:

That, except as otherwise specially provided for in this act, whoever fails to make any return required by this act or the regulations made under authority thereof within the time prescribed or who makes any false or fraudulent return, and whoever evades or attempts to evade any tax imposed by this act or fails to collect or truly to account for and pay over any such tax, shall be subject to a penalty of not more than \$1,000 or to imprisonment for not more than one year, or both, and in addition thereto a penalty of double the tax evaded, or not collected or accounted for and paid over, to be assessed and collected in the same manner as taxes are assessed and collected.

And in lieu thereof to insert:

(a) That any person required under Titles V, VI, VII, VIII, IX, X, or XII, to pay, or to collect, account for and pay over any tax, or required by law or regulations made under authority thereof to make a return or supply any information for the purposes of the computation, assessment, or collection of any such tax, who fails to pay, collect, or truly account for and pay over any such tax, make any such return, or supply any such information at the time or times required by law or regulation shall, in addition to other penalties provided by law, be subject to a penalty of not more than \$1,000.

(b) Any person who willfully refuses to pay, collect, or truly account for and pay over any such tax, make such return, or supply such information at the time or times required by law or regulation, or who willfully attempts in any manner to evade such tax shall be guilty of a misdemeanor and, in addition to other penalties provided by law, shall be fined not more than \$10,000 or imprisoned for not more than one year, or both, together with the costs of prosecution.

(c) Any person who willfully refuses to pay, collect, or truly account for and pay over any such tax shall, in addition to other penalties provided by law, be liable to a penalty of the amount of the tax evaded or not paid, collected, or accounted for and paid over, to be assessed and collected in the same manner as taxes are assessed and collected: *Provided, however,* That no penalty shall be assessed under this subdivision for any offense for which a penalty may be assessed under authority of section 3176 of the Revised Statutes as amended, or of section 605 or 620 of this act, or for any offense for which a penalty has been recovered under section 3256 of the Revised Statutes.

(d) The term "person" as used in this section includes an officer or employee of a corporation or a member or employee of a partnership who, as such officer, employee, or member, is under a duty to perform the act in respect of which the violation occurs.

The amendment was agreed to.

The next amendment was, in section 1309, page 258, after line 12, to insert:

The commissioner, with such approval, may, by regulation, provide that any return required by Titles V, VI, VII, VIII, IX, or X to be under oath may, if the amount of the tax covered thereby is not in excess of \$10, be signed or acknowledged before two witnesses instead of under oath.

The amendment was agreed to.

The next amendment was, in section 1310, page 258, line 18, before the word "That," to insert "(a)," so as to read:

SEC. 1310. (a) That in the case of any overpayment or overcollection of any tax imposed by section 628 or 630 or by Title V, Title VIII, or Title IX the person making such overpayment or overcollection may take credit therefor against taxes due upon any monthly return and shall make refund of any excessive amount collected by him upon proper application by the person entitled thereto.

The amendment was agreed to.

The next amendment was, at the top of page 259, to insert:

(b) Wherever in this act a tax is required to be paid by the purchaser to the vendor at the time of a sale, and such sale is made on credit, then, under regulations prescribed by the commissioner, with the approval of the Secretary, the tax may, at the option of the vendor, be returned and paid by him to the United States as if paid to him by the purchaser at the time of the sale, and in such case the vendor shall have a right of action in any court of competent jurisdiction against the purchaser for the amount of the tax so returned and paid to the United States.

The amendment was agreed to.

The next amendment was, in section 1312, page 259, line 24, after the word "under," to strike out "Title," and to insert "Titles"; and on page 260, line 5, after the word "price," to insert:

If a contract of the character above described was made with any person other than a dealer, the tax collected under this act shall be the tax in force on May 9, 1917.

So as to read:

SEC. 1312. (1) That (a) if any person has prior to May 9, 1917, made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect to which a tax is imposed under Titles VI, VII, or IX, or under subdivision 13 of Schedule A of Title XI, or under this subdivision, and (b) if such contract does not permit the adding of the whole of such tax to the amount to be paid under such contract, then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such tax as is not so permitted to be added to the contract price. If a contract of the character above described was made with any person other than a dealer, the tax collected under this act shall be the tax in force on May 9, 1917.

The amendment was agreed to.

The next amendment was, on page 260, after line 8, to strike out:

(2) If (a) any person has prior to September 3, 1918, made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect to which a tax is imposed under Title VI, VII, or IX, or under subdivision 13 of Schedule A of Title XI, or under this subdivision, and (b) such contract does not permit the adding, to the amount to be paid under such contract, of the whole of the difference between such tax and the corresponding tax imposed by the revenue act of 1917 (or, in the case of articles in respect to which no corresponding tax was imposed by such act, the whole of the tax imposed by this act), then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such difference (or, in the case of articles in respect to which no corresponding tax was imposed by such act, so much of the tax imposed by this act) as is not so permitted to be added to the contract price.

And in lieu thereof to insert:

(2) If (a) any person has prior to September 3, 1918, made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect to which a tax is imposed under Titles VI, VII, or IX, or under subdivision 13 of Schedule A of Title XI, or under this subdivision, and in respect to which no corresponding tax was imposed by the revenue act of 1917, and (b) such contract does not permit the adding, to the amount to be paid under such contract, of the whole of the tax imposed by this act, then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of the tax imposed by this act, as is not so permitted to be added to the contract price. If a contract of the character above described was made with any person other than a dealer, no tax shall be collected under this act.

(3) If (a) any person has prior to September 3, 1918, made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect to which a tax is imposed under Titles VI, VII, or IX, or under subdivision 13 of Schedule A of Title XI, or under this subdivision, and in respect to which a corresponding tax was imposed by the revenue act of 1917, and (b) such contract does not permit the adding, to the amount to be paid under such contract, of the whole of the difference between such tax and corresponding tax imposed by the revenue act of 1917, then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such difference as is not so permitted to be added to the contract price. If a contract of the character above described was made with any person other than a dealer, the tax collected under this act shall be the tax in force on September 3, 1918.

Mr. SMOOT. Mr. President, on page 261, line 24, before the words "corresponding tax," the word "the" is omitted and should be inserted, so as to read "the whole of the difference between such tax and the corresponding tax imposed." I move that amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 262, line 7, before the word "The," to strike out "(3)" and to insert "(4)," so as to make the clause read:

(4) The taxes payable by the vendee or lessee under this section shall be paid to the vendor or lessor at the time the sale or lease is consummated, and collected, returned, and paid to the United States by such vendor or lessor in the same manner as provided in section 502.

The amendment was agreed to.

The next amendment was, on page 262, line 12, before the word "The," to strike out "(4)" and to insert "(5)," so as to make the clause read:

(5) The term "dealer" as used in this section includes a vendee who purchases any article with intent to use it in the manufacture or production of another article intended for sale.

The amendment was agreed to.

The next amendment was, in section 1314, page 262, line 20, after the word "That," to strike out "under rules and regulations prescribed by the Secretary"; in line 21, after the word "par," to strike out "and" and to insert "with an adjustment for"; and on page 263, line 1, after the word "taxes," to insert "and any other taxes payable other than by stamp," so as to make the section read:

SEC. 1314. That collectors may receive, at par with an adjustment for accrued interest, certificates of indebtedness issued by the United States and uncertified checks in payment of income, war-profits, and excess-profits taxes and any other taxes payable other than by stamp, during such time and under such regulations as the commissioner, with the approval of the Secretary, shall prescribe; but if a check so received is not paid by the bank on which it is drawn the person by whom such check has been tendered shall remain liable for the payment of the tax and for all legal penalties and additions the same as if such check had not been tendered.

The amendment was agreed to.



The next amendment was, on page 263, after line 8, to insert:

Sec. 1315. That section 3315 of the Revised Statutes, as amended, is hereby amended to read as follows:

"Sec. 3315. The Commissioner of Internal Revenue may, under regulations prescribed by him with the approval of the Secretary of the Treasury, issue stamps for restamping packages of distilled spirits, tobacco, cigars, snuff, cigarettes, fermented liquors and wines which have been duly stamped but from which the stamps have been lost or destroyed by unavoidable accident."

The amendment was agreed to.

The next amendment was, on page 263, in line 18, to change the number of section "1315" to "1316."

The amendment was agreed to.

The next amendment was, on page 264, after line 21, to insert:

(c) That the paragraph of section 3689 of the Revised Statutes, as amended, reading as follows:

"Refunding taxes illegally collected (internal revenue): To refund and pay back duties erroneously or illegally assessed or collected under the internal-revenue laws" is hereby amended to read as follows:

"To refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interest and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws, notwithstanding any limitations imposed by the act of June 20, 1874."

The amendment was agreed to.

The next amendment was, on page 265, line 10, to change the number of the section from "1316" to "1317," and after line 12 to insert:

Sec. 3164. It shall be the duty of every collector of internal revenue having knowledge of any willful violation of any law of the United States relating to the revenue, within 30 days after coming into possession of such knowledge, to file with the district attorney of the district in which any fine, penalty, or forfeiture may be incurred, a statement of all the facts and circumstances of the case within his knowledge, together with the names of the witnesses, setting forth the provisions of law believed to be so violated on which reliance may be had for condemnation of conviction.

Sec. 3165. Every collector, deputy collector, internal-revenue agent, and internal-revenue officer assigned to duty under an internal-revenue agent, is authorized to administer oaths and to take evidence touching any part of the administration of the internal-revenue laws with which he is charged, or where such oaths and evidence are authorized by law or regulation authorized by law to be taken.

The amendment was agreed to.

The next amendment was, on page 270, in line 9, after the word "law," to insert "or by regulation made under authority of law"; on page 271, in line 8, after the word "tax," strike out "50" and insert "25"; and in line 13, after the word "tax," strike out "100" and insert "50," so as to read:

Sec. 3176. If any person, corporation, company, or association fails to make and file a return or list at the time prescribed by law or by regulation made under authority of law, or makes, willfully or otherwise, a false or fraudulent return or list, the collector or deputy collector shall make the return or list from his own knowledge and from such information as he can obtain through testimony or otherwise. In any such case the commissioner may, from his own knowledge and from such information as he can obtain through testimony or otherwise, make a return or amend any return made by a collector or deputy collector. Any return or list so made and subscribed by the commissioner, or by a collector or deputy collector and approved by the commissioner, shall be prima facie good and sufficient for all legal purposes.

If the failure to file a return or list is due to sickness or absence, the collector may allow such further time, not exceeding 30 days, for making and filing the return or list as he deems proper.

The Commissioner of Internal Revenue shall determine and assess all taxes, other than stamp taxes, as to which returns or lists are so made under the provisions of this section. In case of any failure to make and file a return or list within the time prescribed by law, or prescribed by the Commissioner of Internal Revenue or the collector in pursuance of law, the Commissioner of Internal Revenue shall add to the tax 25 per cent of its amount, except that when a return is filed after such time and it is shown that the failure to file it was due to a reasonable cause and not to willful neglect, no such addition shall be made to the tax. In case a false or fraudulent return or list is willfully made, the Commissioner of Internal Revenue shall add to the tax 50 per cent of its amount.

The amount so added to any tax shall be collected at the same time and in the same manner and as part of the tax unless the tax has been paid before the discovery of the neglect, falsity, or fraud, in which case the amount so added shall be collected in the same manner as the tax.

The amendment was agreed to.

The next amendment was, on page 271, line 20, to change the number of the section from "1317" to "1318"; in line 21, after the word "this," to strike out "title" and insert "Act"; and at the top of page 272, to insert:

The district courts of the United States are hereby invested with such jurisdiction to make and issue, both in actions at law and suits in equity, writs and orders of injunction, and of ne exeat republica, orders appointing receivers, and such other orders and process, and to render such judgments and decrees, granting in proper cases both legal and equitable relief together, as may be necessary or appropriate for the enforcement of the provisions of this act. The remedies hereby provided are in addition to and not exclusive of any and all other remedies of the United States in such courts or otherwise to enforce such provisions.

So as to make the section read:

Sec. 1318. That if any person is summoned under this act to appear, to testify, or to produce books, papers, or other data, the district court of the United States for the district in which such person resides shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, or other data.

The district courts of the United States are hereby invested with such jurisdiction to make and issue, both in actions at law and suits in equity, writs and orders of injunction, and of ne exeat republica, orders appointing receivers, and such other orders and process, and to render such judgments and decrees, granting in proper cases both legal and equitable relief together, as may be necessary or appropriate for the enforcement of the provisions of this act. The remedies hereby provided are in addition to and not exclusive of any and all other remedies of the United States in such courts or otherwise to enforce such provisions.

The amendment was agreed to.

The next amendment was, on page 272, line 12, to change the number of the section from "1318" to "1319."

The amendment was agreed to.

The next amendment was, on page 273, line 1, to change the number of the section from "1319" to "1320."

The amendment was agreed to.

Mr. SMOOT. Mr. President, before the Secretary proceeds to read Title XIV, I desire to call the attention of the Senator from North Carolina to line 23, on page 272, where it reads, "and upon conviction thereof shall be fined not more than \$1,000 or by imprisonment not exceeding one year, or both," it should read "and upon conviction thereof shall be punished by a fine of not more than \$1,000 or by imprisonment not exceeding one year, or both."

Mr. SIMMONS. Undoubtedly, Mr. President, that amendment should be made.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In section (1318) 1319, page 272, line 23, after the words "shall be," it is proposed to strike out the word "fined" and to insert the words "punished by a fine of."

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the heading "Title XIV—General provisions," in section 1400, page 273, line 17, after the first word "That," to strike out "any provision of any act inconsistent with any provision of this act is hereby repealed, subject to the limitations provided in subdivision (b)" and insert:

the following parts of acts are hereby repealed, subject to the limitations provided in subdivision (b):

(1) The following titles of the revenue act of 1916:

Title I (called "Income tax");

Title II (called "Estate tax");

Title III (called "Munitions manufacturers' tax"), as amended;

Title IV (called "Miscellaneous taxes").

(2) The following parts of the act entitled "An act to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes," approved March 3, 1917:

Title III (called "Estate tax");

Section 402 (called "Returns of dividends").

(3) The following titles of the revenue act of 1917:

Title I (called "War income tax");

Title II (called "War excess-profits tax");

Title III (called "War tax on beverages");

Title IV (called "War tax on cigars, tobacco, and manufactures thereof");

Title V (called "War tax on facilities furnished by public utilities, and insurance");

Title VI (called "War excise taxes");

Title VII (called "War tax on admissions and dues");

Title VIII (called "War stamp taxes");

Title IX (called "War estate tax");

Title X (called "Administrative provisions");

Title XII (called "Income-tax amendments").

The amendment was agreed to.

The next amendment was, on page 275, line 1, after the word "Such," to strike out "provisions" and insert "parts of acts"; in line 7, after the word "such," to strike out "provision" and insert "part of an act"; in line 9, after the word "thereof," to insert "Provided, That, except as otherwise provided in this act, no taxes shall be collected under Title I of the revenue act of 1916 as amended by the revenue act of 1917, or Title I or II of the revenue act of 1917, in respect to any period after December 31, 1917"; in line 14, before the word "collection," to insert the word "the"; in line 15, after the word "taxes," to insert "by the United States or by the collector from the executor of the decedent or out of the property of the decedent"; in line 19, after the word "amended," to insert "by the act entitled 'An act to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes,' approved March 3, 1917"; and in line 25, after the word "this," to strike out "Act: Provided further, That in" and insert "act," so as to make the paragraph read:

(b) Such parts of acts shall remain in force for the assessment and collection of all taxes which have accrued thereunder, and for the imposition and collection of all penalties or forfeitures which have accrued and may accrue in relation to any such taxes, and except that the unexpended balance of any appropriation heretofore made and now available for the administration of this act or the corresponding provision thereof: *Provided*, That, except as otherwise provided in this act, no taxes shall be collected under Title I of the revenue act of 1916 as amended by the revenue act of 1917, or Title I or II of the revenue act of 1917, in respect to any period after December 31, 1917: *Provided further*, That the assessment and the collection of all estate taxes by the United States or by the collector from the executor of the decedent or out of the property of the decedent, and the imposition and collection of all penalties or forfeitures, which have accrued under Title II of the revenue act of 1916 as amended by the act entitled "An act to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes," approved March 3, 1917, or Title IX of the revenue act of 1917, shall be according to the provisions of Title IV of this act.

The amendment was agreed to.

The next amendment was, at the top of page 276, to insert the word "In," so as to make the paragraph read:

In the case of any tax imposed by any part of an act herein repealed, if there is a tax imposed by this act in lieu thereof, the provision imposing such tax shall remain in force until the corresponding tax under this act takes effect under the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 276, after line 5, to insert:

Title I of the revenue act of 1916 as amended by the revenue act of 1917 shall remain in force for the assessment and collection of the income tax in Porto Rico and the Philippine Islands, except as may be otherwise provided by their respective legislatures.

The amendment was agreed to.

The next amendment was, on page 276, after line 10, to insert:

SEC. 1401. That section 1100 of the revenue act of 1917 is hereby repealed, to take effect on July 1, 1919, and thereafter the rate of postage on all mail matter of the first class shall be the same as the rate in force on October 2, 1917: *Provided*, That letters written and mailed by soldiers, sailors, and marines assigned to duty in a foreign country engaged in the present war may be mailed free of postage, subject to such rules and regulations as may be prescribed by the Postmaster General.

Section 1107 of such act is hereby repealed, to take effect July 11, 1919.

Mr. SIMMONS. Mr. President, the Senator from Georgia [Mr. HARDWICK] requested me to have one or both of these sections which relate to the postal rates go over. I think he referred only to that with reference to second-class matter, but I am not sure, and therefore I will ask that this section go over, and also that the other section go over when it is reached.

The PRESIDING OFFICER. Without objection, the section just read by the Secretary will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 276, after line 21, to insert:

SEC. 1402. (a) That section 1103 of the revenue act of 1917 is hereby repealed.

(b) Section 1101 of such act is hereby amended to read as follows: "SEC. 1101. That on and after July 1, 1919, the rates of postage on publications entered as second-class matter (including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year) when sent by the publisher thereof from the post office of publication or other post office, or when sent by a news agent to actual subscribers thereto, or to other news agents for the purpose of sale, shall be 1 cent per pound or fraction thereof for delivery within the first and second zones applicable to fourth-class matter, and 1½ cents per pound or fraction thereof for delivery within any other zone."

(c) This section shall take effect July 1, 1919.

Mr. SIMMONS. I ask to have that section passed over also.

The PRESIDING OFFICER. The section will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 277, line 13, to change the number of the section from "1401" to "1403."

The amendment was agreed to.

The next amendment was, on page 277, line 20, to change the number of the section from "1402" to "1404."

The amendment was agreed to.

The next amendment was, on page 278, line 1, to change the number of the section from "1403" to "1405."

The amendment was agreed to.

The next amendment was, on page 278, line 6, to change the number of the section from "1404" to "1406."

The amendment was agreed to.

The next amendment was, on page 278, line 8, to change the number of the section from "1405" to "1407."

The amendment was agreed to.

The reading of the bill was concluded.

Mr. SIMMONS. Mr. President, I am advised that the senior Senator from Virginia [Mr. MARTIN] desires to call up a bill which, I think, ought to be passed speedily, and I have there-

fore consented, and now ask, that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. The Chair hears no objection to laying aside the bill temporarily.

CALLING OF THE ROLL.

Mr. SMOOT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Johnson, S. Dak.	Mulkey	Smith, Md.
Beckham	Jones, N. Mex.	Myers	Smoot
Cummins	Jones, Wash.	Norris	Sutherland
Curtis	Kendrick	Page	Swanson
Dillingham	Kenyon	Polindexter	Thomas
Fletcher	Kirby	Pollock	Thompson
France	La Follette	Pomerene	Townsend
Frelinghuysen	Lenroot	Ransdell	Trammell
Gay	Lewis	Saulsbury	Underwood
Gerry	Lodge	Shafroth	Walsh
Gronna	McCumber	Sheppard	Warren
Hardwick	McKellar	Simmons	Weeks
Henderson	Martin, Va.	Smith, Ariz.	Williams

Mr. SUTHERLAND. I announce the absence of my colleague [Mr. GOFF] on account of illness.

Mr. FRANCE. I desire to announce the absence of the Senator from Missouri [Mr. REED] and the Senator from Maine [Mr. FERNALD] on official business of the Senate.

Mr. HENDERSON. I desire at this time to announce the absence of the Senator from Idaho [Mr. NUGENT] on necessary business.

The PRESIDING OFFICER (Mr. KENYON in the chair). Fifty-two Senators have answered to their names. A quorum is present.

TRANSPORTATION OF GOVERNMENT EMPLOYEES.

Mr. MARTIN of Virginia. Mr. President, from the Committee on Appropriations I report back favorably, with one small amendment, the bill (H. R. 13261) providing for the transportation from the District of Columbia of governmental employees whose services no longer are required; and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations, with an amendment.

Mr. MARTIN of Virginia. Mr. President, there is only one committee amendment, and I will hand a memorandum of it to the Secretary. I can read it here, however, if necessary. The amendment is, on lines 12 and 13, page 2, to strike out the words "the foregoing limitation of 10 days shall operate" and in lieu thereof to insert:

The time within which transportation shall be applied for shall be 20 days.

The PRESIDING OFFICER. The Senator from Virginia, on behalf of the committee, offers an amendment, which will be stated by the Secretary.

The SECRETARY. On page 2, lines 12 and 13, it is proposed to strike out "the foregoing limitation of 10 days shall operate" and in lieu thereof to insert:

The time within which transportation shall be applied for shall be 20 days.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. It is proposed to insert as a new section at the end of the bill, or to add, the following:

SEC. 7. That the provisions of this act shall apply to the men who were offered employment by an agent of the Department of Labor, and who were taken from their homes under a promise of six months' employment or more, but who were given less than 90 days' employment.

Mr. CURTIS. Mr. President, I offer that amendment because I have received several letters from people who were brought East under a promise that they would be given a year's employment. Some of them were given only a week's employment, and some had employment for only 10 or 15 days. They were then discharged and forced to pay their way back home.

I want to read two or three of these letters. I have some 10 or 12 of them, but I will read only a few of them, so the Senate may know just how these men were treated:

BALTIMORE, Md., September 17, 1918.

Mr. C. CURTIS.

DEAR SIR: We came here from Independence, Kans. The Government agent there told us we would have a year's work, no matter whether the war stopped or not. Now, we are cut down \$2.10 a day in our wages and five and one-half days a week, and we can not make both ends meet, as I have three small children at home.



What we want is our fares home. We have worked 24 days, and as we were misinformed as to the conditions here we would like to go back at once. I have never seen a fire since we came here and have caught the worst cold.

Please write at once. There are two of us.

I am, yours,

MALCOLM HUME.

The second letter is as follows:

LARNED, KANS., November 24, 1918.

HON. CHARLES CURTIS,  
Washington, D. C.

DEAR SIR: On or about September 15 this year we were called on by the Government employment office of Hutchinson, Kans., to give up our employment and ship to Curtis Bay, Md., to work in ordnance depot, with the understanding that this work was just starting and that we would have one year's work. However, we found that the bulk of this work had been done earlier in the year and that said work was only an addition, and our employment only lasted seven days, minus two hours. We demanded our transportation home, and were told that there was nothing doing. We then came down to the District of Columbia and found 8 or 10 days' work on the housing proposition, and were laid off until the work was started at Twenty-first and B Streets, which was about 30 days. Working 3½ days, and that work shut down, leaving us less than fare home.

Someone has made a mistake, as we were not needed in that country at all, and we feel that it is no more than just that they reimburse us for our transportation home, which amounts to \$50 each, as we were deprived of our earning capacity practically for two months and also forced to wire home and borrow money to return home on.

If you think this is due us, we ask you as our Representative to use your influence to get us that that is justly due us.

Thanking you for this favor.

Our address is:

L. E. RIGGS,  
216 East Twelfth Street, Larned, Kans.  
WALTER OREBAUGH,  
Dodge City, Kans.

The third letter is as follows:

BALTIMORE, MD., November 19, 1918.

MR. CHARLES CURTIS,  
Washington, D. C.

SIR: I am writing you in regard to getting transportation back to Topeka. We were promised a long job with time and one-half for overtime and double time for Sunday. We got no Sunday work at all, and only getting in 44 hours a week; so you see it will be a hardship on us to have to pay our transportation back home. I thought perhaps you could get something done for us if anyone could. Hoping to hear from you at once in regard to the matter, I remain,

Yours, most truly,

R. F. LANE,  
710 West Fayette Street.

The fourth letter is as follows:

ARK CITY, November 18, 1918.

DEAR SIR: I will answer your letter I received yesterday and was glad to hear from you. I got a letter from Mr. Sterns and I answered it the next day, but I guess he never got it. I gave him all the details of my work. I told him I was at work at Curtis Bay for S. H. and M., and that I was at work on those magazines they was building there and that my number was 2712, and that the superintendent's name was Mr. Craft, and that my foreman's name was Mr. O. D. Lott—there may be more than one Lott there—they have the letter he wrote me there and also the receipts I got for my fare, and that I only got to work seven days and that I was sick all the way home and that I was under the doctor's care about two weeks after I got home, and that I had lost about five weeks' work, and that my family had to live all of that time, besides paying house rent and my fare home. Well, I will close for this time. Hoping to hear from you soon, I remain,

Yours, respectfully,

S. O. PAXTON,  
415 North D Street, Ark City, Kans.

I took up this matter with the department and received in reply a letter which I will read. I may say that I referred Mr. Riggs's case and several others, some eight or ten, to the department. This is the reply:

DEPARTMENT OF LABOR,  
OFFICE OF THE ASSISTANT SECRETARY,  
Washington, December 4, 1918.

MY DEAR SENATOR: Mr. Post has directed me to keep you informed of the state of the investigation into the case of Mr. L. E. Riggs, of Larned, Kans., which you referred to the department upon the 18th. In response to telegraphic request, the director of employment for Kansas has made inquiries at Hutchinson regarding the complaint. His report states that no promise was made to the men with respect to any definite period of employment, but that the agent for the company which had the contract at Curtis Bay assured them that they would have several months' employment. An attempt is now being made to do something through the contractor. Regardless of the place where the blame is properly laid, the men have evidently been done an injustice which the department will do all in its power to right.

I shall keep you advised further.

Cordially,

HUGH REID,  
Private Secretary.

HON. CHARLES CURTIS,  
United States Senate, Washington, D. C.

Since receiving this letter I have received another letter stating that they have no appropriation out of which they could pay transportation or reimburse these people, and that they have been unable to get anything out of the contractors.

Mr. JONES of New Mexico. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Mexico?

Mr. CURTIS. Certainly.

Mr. JONES of New Mexico. I am very much in accord with the views of the Senator from Kansas, but I should like to suggest an amendment to his amendment.

Mr. CURTIS. I will ask the Senator to wait until I finish my statement, and then I shall be perfectly willing to have the amendment considered.

Mr. JONES of New Mexico. Very well; I will do that.

Mr. CURTIS. Now, the truth of the matter is that the representatives of the Government did tell these men that they would have a year's employment. I do not care what they say; it is not reasonable to believe that twelve or fifteen men, living in different communities, not having talked with each other, would write as to the promises that were made them, and all of them be mistaken.

Mr. JONES of New Mexico. Mr. President, it was just on that point that I wished to make a suggestion, if the Senator from Kansas will permit me to do so.

Mr. CURTIS. I am perfectly willing to listen to the Senator.

Mr. JONES of New Mexico. I was going to suggest that perhaps in practically all of these cases it would be impossible to establish the fact that the men were promised six months' work. Now, we know that these advertisements were made, and that the men had reason to expect that they would obtain work for at least a reasonable length of time; and what I wanted to suggest to the Senator from Kansas was that we may avoid that difficulty by giving this right of transportation to all who have actually had less than 90 days of employment.

Mr. CURTIS. That is what this amendment does.

Mr. JONES of New Mexico. No; if the Senator will permit me, I have his amendment before me, and it reads as follows:

SEC. 7. That the provisions of this act shall apply to the men who were offered employment by an agent of the Department of Labor, and who were taken from their homes under a promise of 6 months' employment or more, but who were given less than 90 days' employment.

It will be difficult in many cases to establish a promise from the Department of Labor for at least six months' employment. From my own State I know a number of men were taken for the purpose of being employed in the war industry only a month or two before the armistice was signed, and they have had no opportunity for employment; but I doubt if you can establish the fact that in each of such cases there was a specific promise of not less than six months' employment. But whether there was or not, they went at the request of the Department of Labor, and went undoubtedly with the view that they would have employment for a considerable period of time.

I would suggest, therefore, that the Senator from Kansas eliminate from his amendment the words "six months," so that it will read:

That the provisions of this act shall apply to the men who were offered employment by an agent of the Department of Labor, and who were taken from their homes under a promise of employment or work, but who were given less than 90 days' employment.

Mr. CURTIS. I will modify the amendment in that respect if the Senator will just erase the words "six months" with a pencil and send it to the desk.

Mr. NORRIS. May I interrupt the Senator while the modification is taking place? Why does the Senator confine it to representations made by the Department of Labor?

Mr. CURTIS. Because in every case that was presented to me the party said agents of the Department of Labor made the representation.

Mr. NORRIS. It occurs to me that very likely there will be cases where the representation was made by representatives of other departments. Why should they not be covered here by striking out the words "Department of Labor" and saying "representatives of the Government"? If this happened in any other case, they ought to be reimbursed just the same as in the Department of Labor.

Mr. CURTIS. I am perfectly willing to have that modification made.

Mr. NORRIS. I suggest to the Senator from New Mexico, while he is modifying the amendment, to make it apply to all departments.

Mr. SAULSBURY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Delaware?

Mr. CURTIS. For a question.

Mr. SAULSBURY. For a question. I wish to know if the Senator's amendment covers the cases of the employment of men at the time the armistice was signed, or would it cover employees of the Government who came here from time to time, possibly stayed only a few days, and left of their own accord? I have been told that there were hundreds every day leaving the employ of the Government when they were really needed, and that they were going home. It does not seem to me that this amendment should apply to them.

Mr. CURTIS. The amendment was intended to apply only to such men as left home under the promise of being given work, men who were promised work for a long period, and then, after working for a week or more, were notified that there was no more work for them, and who were forced to go back home.

Mr. SAULSBURY. I find no fault with such a provision as that.

Mr. CURTIS. That was the case with the gentleman who called upon me. As I stated, I have received some 12 letters from men who were in that situation. One of them was an expert brick mason. He was taken to Curtis Bay under an agreement that he would have at least one year's work, six days a week, with extra pay for Sunday and for overtime. He was limited to five and one-half days a week. Then he was given employment for less than 30 days, and he had to pay his expenses back home. I take it that if you are going to pay the expenses of clerks who came here without any promise as to the length of time they would be employed, you ought in fairness pay these laboring men their expenses back home who do not receive as large salaries. They are not asking for an extra month's pay. They have no extra month's pay. In fact, some of them came here and worked only seven days.

Mr. POMERENE. Mr. President—

Mr. CURTIS. I yield to the Senator from Ohio.

Mr. POMERENE. Knowing the Senator from Kansas as well as I do, I want to inquire why he is so ungallant as to confine the benefits of his amendment to men alone?

Mr. CURTIS. I think these outside places were given only to men, and women were employed mostly here in Washington, and they are provided for in the original bill.

Mr. TOWNSEND. Mr. President—

Mr. CURTIS. I yield to the Senator from Michigan.

Mr. TOWNSEND. Can the Senator tell us whether any estimate has been made as to how much money it is going to take to meet the requirements of the bill?

Mr. CURTIS. The Senator will have to ask the Senator from Virginia, the chairman of the committee.

Mr. TOWNSEND. May I ask the Senator from Virginia?

Mr. MARTIN of Virginia. It is impossible to make an estimate of any value. We have no idea how many of these people will have to be dispensed with or what their transportation home may cost. I think, at a rough estimate, \$200,000 will probably be required.

Mr. TOWNSEND. Does the Senator believe that there will be anybody who came here to work for the Government and chose to return home for any cause who would not receive this compensation?

Mr. MARTIN of Virginia. Of course, there are many of them who will not receive transportation. It will be only those who were brought here for war service and whose services have been dispensed with.

Mr. TOWNSEND. Is it not true that an appeal was made to all parties throughout the country for help, and therefore everybody can claim that he or she came here under the representation held out by the Government?

Mr. MARTIN of Virginia. Suppose that is true. Of course, they came here under the representation that the Government needed help, by advertisement and by the statements of agents. People came here at the call of the Government and rendered faithful service until the war ended, and when the Government discharges them it ought to pay their expenses home. The Senator can not discharge his coachman or his cook without notice or without paying them something for it. When a man pays wages he can not employ people and discharge them summarily and pay no attention to them whatsoever. This does not go that far. This permits them to get back home. It does not give the money to buy the ticket, but furnishes transportation which is nontransferable and must be used in five days.

Mr. TOWNSEND. Is it not a fact that the object of the bill is largely to remove from the District people who are now encumbering it?

Mr. MARTIN of Virginia. That is a strong inducement with me, but in addition it is an act of justice to give transportation to people who were brought here and put in the Government service and abruptly and summarily dismissed from that service. It simply pays their transportation home, and I think it is a very just provision.

Mr. TOWNSEND. I have no doubt there are many cases where that is true. I do know, however, as I think the Senator and everybody else knows, that people from all over the United States gave up their jobs at home with the idea that it would be better to work in Washington. Many of them were tired of the job they had on hand and came here, and left after a little while of their own motion. They were not forced to go.

Is it supposed that the bill can be so construed as to pay the expenses back home, sleeping-car expenses included, of thou-

sands of employees who have been here on a sort of vacation? It is a fact that there are thousands of employees in the service of the Government who have been of absolutely no value whatever to the Government. There is no one who has visited the departments who has not found that to be true.

I want to be as generous as anybody can be, but to present a blanket proposition to pay the expenses back home of thousands of employees, without any information as to what the drain upon the Treasury will be, it seems to me, is a question at this time that ought to have more consideration than has been presented to the Senate.

Mr. MARTIN of Virginia. Will the Senator kindly yield?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Virginia?

Mr. CURTIS. I yield.

Mr. MARTIN of Virginia. I will wait until the Senator gets through and then I will answer the suggestion of the Senator from Michigan.

Mr. CURTIS. Mr. President, first I want to say to the Senator from Virginia that the amendment I have offered only applies to men who were brought here under representations of the agents of the Government and were not given work but who were willing to work. Some of these men, as I stated, were experts—brick masons, carpenters, plasterers—and they were told they were slackers if they did not come East to work for the concerns that were constructing buildings for the Government. They gave up good places at home and came East and were not permitted to work long enough to earn money to buy tickets home. As was said by one of these men, he had to wire home to get the money to buy his ticket. In each case the cost of transportation back home is given and in no case was sleeping-car fare included; all of us who travel know what sleeping-car tickets cost. I will state that I bought a ticket home the other day with sleeping-car accommodations and it cost me \$57.72. These men say that their transportation home, many of them living farther than Topeka, was about \$50.

Mr. MARTIN of Virginia. Mr. President, I simply want to answer the suggestion made by the Senator from Michigan [Mr. TOWNSEND].

The bill as reported from the committee provides only for parties employed by the Government since the declaration of war whose employment has been terminated by the Government without delinquency or misconduct on their part. They are people who came here and were employed on war work and have been discharged from the service of the Government without any delinquency on their part. It applies to those engaged in war work summarily dismissed from service without notice and simply gives them transportation home. It is transportation and no money. It is nontransferable. The transportation is issued to the employee, and he can not transfer it. He must use it within five days after issuance. It does seem to me it is a very just thing to compensate these people by giving them the cost of transportation back home when they have come here and worked for the Government faithfully and have been discharged from the service summarily without any delinquency or fault on their part whatever.

Mr. WEEKS. Mr. President, if it is the purpose of the bill to compel bureau or departmental officials to do their duty and to discharge those who are not needed by the Government—if it is necessary to do that by passing the bill—it might have my approval. But presumably departmental officers are doing their duty in this respect and are discharging employees as rapidly as it can be done.

The confusion that will arise out of this measure is well illustrated by the questions that have been asked here relating to the amendment that has been offered here by the Senator from Kansas. If we accept his amendment—and it seems on the face of it to be just—there will be innumerable similar instances in which the Government will have made a precedent that will justify their demands being acceded to.

Most of these people have come to Washington because they have been allured here by the higher wages and the shorter hours that they could obtain. They have come very largely of their own free will. I do not mean to detract from the service which they have performed, yet everybody knows that there have been a very large number of incompetents here, untrained men and women who have been receiving very high compensation. There can not be any obligation on the part of the Government to pay a bonus to those who have not performed the very highest quality of service.

Mr. JONES of New Mexico. Mr. President—

Mr. WEEKS. I am speaking of bonuses. If we are going to pay these employees of the Government a bonus, we should pay others. These people, those employed in Washington, for



example, have been receiving the same wages as the old and trained clerks who are in the regular service, and more wages in many cases, and very frequently, if not almost invariably, they have not been as efficient.

There is no estimate made of the cost of this measure. All the Senator from Virginia says is that it may amount to several hundred thousand dollars. I maintain that the present condition of the finances of the country do not warrant Congress in paying bonuses to anyone which the Government has not obligated itself to do. If there are Government employees who have been making promises to people to come here which they had no right or justification in doing those employees should be punished for so doing. It should not be the business of the Government to appropriate money to carry out promises which the promiser had no authority for making. That is not a course that ought to be followed.

I do not know that other Senators agree with me at all in this matter, but I must say that in my judgment we are taking an ill-advised step to pass such legislation as this, which has no estimate and which I believe is unjustifiable. I shall vote against the bill.

I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I desire to call the attention of the Senator from Massachusetts to the fact that the situation here in Washington is one of the least of the evils. There was made an effort throughout the entire country to get laborers for the munition plants and that sort of thing, and they practically levied an assessment upon the various States of the country, specified the number of men whom they wanted from each State. I know that in my own State, just within two or three weeks of the signing of the armistice, a number of men were gotten to go out of that State, through an appeal to their patriotism day after day, to work in the munition plants, and they looked upon it as simply answering a demand and an appeal from the Government. They were called upon by their sense of patriotism to do it. They were promised this work, or, at any rate, the ability to get the work was held out to them, and they left their ordinary vocations and went at the personal solicitation of some representative of the Department of Labor. There was a labor agent appointed for each State in the Union, I believe, certainly in the Western States, and that State labor commissioner found the number of men who were expected from that State, and he, through his subagent, made it his particular duty to secure the requisite number.

Those men, under those circumstances, went into this employment. Now, after the armistice is signed the work has ceased and they are away from home. Many of them were poor men to begin with, and why should they be called upon to suffer, under those particular circumstances, more than any other citizens of the country? Why should they not be made whole in that respect, so long as the taxpayers of the country are able to make them whole? We can limit the matter so as not to include those referred to by the Senator from Michigan, who voluntarily separated themselves from the Government service, and have it apply only to those who are discharged by the Government when their services are no longer needed.

Mr. WEEKS. I was not aware of any such propaganda as that described by the Senator from New Mexico. Quite likely the conditions in his State are somewhat different from what they are in mine or in the locality where I live, where, generally speaking, additional employees in munitions factories and other places have come from that immediate neighborhood or from the same State. But, in any case, it does not seem to me that a reasoning man could have given up his employment in his own locality to come to Washington or to any other place without considering that that employment must cease as soon as the war ended, and if he had been looking after his own interests and those of the Government as well he would have stipulated at that time that his transportation should be paid to and from the place where he was to be employed. If agents of the Department of Labor were inducing men to leave their homes and go to a place where they could be employed they should have had authority to stipulate in that agreement that the transportation of those men should be paid.

These post facto methods of taking money out of the Treasury in a way that is going to make a precedent to be followed in other cases do not and never have appealed to me, and I object to its being done.

Mr. BORAH. Mr. President, I suppose the real merit of the bill lies in the fact that it may induce the departments to dispense with the services of some of the employees after their services have really ended. I do not state this as showing a universal practice, but in two instances within the last few days employees of the Government have told me that they have reported to the heads of the department that they felt that the work for which they had been called here was finished; that the

particular work which they were doing was at an end; and that they desired to quit and return home, and both individuals were discouraged from separating themselves from the pay roll and were asked to wait to see if they could not find something else for them to do; and one waited a week without doing anything.

I can not understand the disposition of the department to retain these employees. I do not know that this is anything like a general practice, but it calls my attention to the fact that there ought to be some way to encourage the department to let people go home when they have finished their work, especially when they desire to go.

Mr. President, the bill provides that for three months and a half these parties may continue in the employ of the Government and receive the benefits of the bill. Why would it not be a good idea to fix the limit of the bill at January 15, 1919, so that the departments and the people who are interested in getting the money out of the bill will look about and see whether there is any necessity for their staying here? I can not see why you should postpone it until the 31st of March. Three months and a half. While it has this merit, that it will encourage them to go and get rid of them in that way, and perhaps save the Government, it will not do so if we pay their way and still continue to employ them two or three months after their services are really ended.

I have no doubt at all that there are hundreds and hundreds of these employees who could leave here to-morrow and the Government would be just as well off. I am not speaking disrespectfully of their services at all, but because their services have ended.

I understand there is an amendment pending.

Mr. CURTIS. There is.

Mr. BORAH. When that amendment is disposed of I am going to offer an amendment to strike out "March 31" and insert "January 15."

Mr. MARTIN of Virginia. Mr. President, I did not make any allusion to the amendment of the Senator from Kansas, which seemed to be based on the statement that agents of the Government had promised these people employment for a specific time. Everybody knows that there was not any officer or agent of the Government authorized to make any such promise. It is simply ludicrous for them to expect Congress to appropriate money to fulfill promises made by irresponsible agents of the Government throughout the country, and that is all it is.

Mr. President, the gist of this whole matter is that it appealed to me—and I think it will appeal to most people—to make some provision for the young women who have been doing war work in this city; and it is chiefly the women, it is not the men. If only the men were concerned, I would never have voted to report the bill. Very few men will be benefited by it. It is intended to relieve young women who have been here doing war work in this city and find their employment suddenly ended; and the bill provides that it must be ended by the Government and not by themselves, that it must be without any fault or delinquency whatever on their part.

I submit to Senators that this should be done for the young women who have come here during the war period to do work for the Government at the solicitation of the Government, who have been employed by the Government and who have worked faithfully and honestly until the Government discharges them, and who have not been delinquent in any respect. The bill provides that none whose relations with the Government are severed because of delinquency on their part shall have any benefit under the bill.

Mr. McCUMBER. Mr. President—

Mr. MARTIN of Virginia. I yield to the Senator from North Dakota.

Mr. McCUMBER. I wish to suggest to the Senator from Virginia that as I understand the bill there is no provision made as to the length of time of service. In other words, if one served since April 6 and received \$1,400 a year, that person would be entitled to his or her cost of transportation to his or her home.

Mr. MARTIN of Virginia. That is correct.

Mr. McCUMBER. Heretofore we have never granted that right to others who were discharged from month to month in all our departments. Does not the Senator think those who have earned \$1,400 to \$1,800 a year, or \$150 a month, could have saved enough in six or eight months to have bought their tickets home?

Mr. MARTIN of Virginia. I will say to the Senator that those receiving more than \$1,400 a year are not included in the terms of the bill.

Mr. McCUMBER. Even as to those who are receiving \$1,400 and have been here a year and a half; have not those persons earned enough to pay \$50 transportation back to their homes?

Mr. MARTIN of Virginia. The expenses of living in Washington have been very great.



Mr. McCUMBER. It is equally great to all others who have been living here.

Mr. MARTIN of Virginia. That is true. I do not say that if these young women had been very economical they might not have saved money enough to get home, but they were brought here by the Government; they have done faithful work; they are not dropped for their delinquencies or anything of that sort whatsoever, but are discharged by the Government summarily and unexpectedly, and I say some consideration should be paid to them.

Mr. McCUMBER. I do not want—

Mr. MARTIN of Virginia. As I said just now to the Senator from Michigan, the Senator could not discharge his coachman or cook under the law without a month's notice or without paying a month's wages.

Mr. McCUMBER. I do not want to allow the statement that they have done faithful work to go unchallenged.

Mr. MARTIN of Virginia. If they have not—

Mr. McCUMBER. One moment. If the Senator means that they were willing to do faithful work, I will accept that statement, but as a matter of fact we have had 50 per cent more clerks than could be used, and a great many of them were lying around and doing almost nothing, some of them not half a day's work each day, simply because there were too many of them. They were crowded in the offices, and there was no room for them. I am willing to pay those the cost of sending them back home.

I am not criticizing the bill because of that, but I do criticize the method of employing 50 per cent more than we need in our departments. I especially think the bill is meritorious because I know a great many people had only just arrived here and had to do a week's work and were discharged. Of course, we should send them back home and pay their expenses home, but I do not want it to go unchallenged that all these people here had plenty of work to do.

Mr. President, I wish to offer an amendment.

Mr. MARTIN of Virginia. I will be glad if the Senator will wait until I get through with my remarks.

Mr. McCUMBER. I thought the Senator had concluded. I beg the Senator's pardon.

Mr. MARTIN of Virginia. Mr. President, it is young women chiefly and not men who compose the class intended to be benefited by the bill, and those who make up the class under the provisions of the bill are the young women who are here working, some of them, it is true, at a fair compensation, but a great many of them in these war times at \$75 a month. For instance, I know personally of a young woman of high qualifications who has been working for \$75 a month, with the expense of living in the city doubled. I am not surprised that they find themselves when leaving the Government service without any money to buy a ticket home.

Mr. SMITH of Georgia. Will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Georgia?

Mr. MARTIN of Virginia. I do.

Mr. SMITH of Georgia. I had brought to my attention the fact that there are a great many young women here who are making from \$900 to \$1,000 a year, who thought they were going to work 12 months longer and have not saved anything. I am not defending their having been brought here. I think the Government would have been just as well off if 25 per cent of them had never come, and they would have been a great deal better off if they had stayed at home. Every time one writes to me from my State about coming I write back, "Do not come; you are better off at home. I urge you to stay."

But I want to say to the Senator that I know there are a great many of these girls who do not get more than \$900 to \$1,000 a year. They thought they were here for at least 12 months more, and they have not saved anything. I believe it is a wise course to help them to go home, and I should be glad to have them go by the early part of January.

Mr. SMITH of Maryland. Mr. President, I desire to say that the fact is that these ladies are here without money and they can not get home unless they are provided with money by the Government.

Mr. SMITH of Georgia. That is absolutely true. The girl who has tried to live here for nine months past on \$900 could not have saved anything. The Government is to blame for bringing them here; that is the truth about it. There was not any necessity for bringing a great many of them here. Government officials had no business advertising for them and begging them to come. A good many of them came because they thought—

Mr. MARTIN of Virginia rose.

Mr. SMITH of Georgia. The Senator from Virginia yielded to me.

Mr. MARTIN of Virginia. I did, and I am not complaining at all.

Mr. SMITH of Georgia. I merely wish to make this further statement. We advertised all over the country, urging them to come, and a good many of these girls really thought they were coming here to work and to help whip the Germans just as were the boys who went into the Army. I did not agree with them. I thought they would have better helped to whip the Germans if they had stayed at home. The Government, however, is responsible for their presence here, and I think it is as little now as we can do to help these girls, if they quit work by the middle of January, to go home. I hope Senators will vote for that. The truth is, I should have been willing to give them 30 days' pay and transportation home.

I thank the Senator from Virginia for yielding to me. I merely wanted to make the statement which I have made.

Mr. NORRIS. Mr. President, will the Senator from Virginia yield to me?

Mr. MARTIN of Virginia. I will.

Mr. NORRIS. Mr. President, I want to suggest to the Senator from Virginia that, in addition to the reasons he has given in favor of this legislation, it strikes me that he might well have also stated that another reason why a great many of these girls find themselves now without money enough to go home is that they have subscribed for bonds, and are now paying for those bonds on the installment plan. They have answered the call of the Government in that respect. I presume that 95 per cent of them—perhaps 99 per cent of them—have subscribed to liberty bonds. That is one of the reasons why they find themselves without money. They have not only subscribed for other issues, but they have subscribed for bonds of the fourth loan, for which they are now paying on the installment plan.

Mr. MARTIN of Virginia. Mr. President, no doubt there has been some surplus of clerks in Washington, but we have all got into the habit of making very reckless charges about there being two or three times as many clerks here as are needed. I do not believe it. I believe there has been some abuse in that regard, but surely we can not visit that on these girls who have, in my opinion, done faithful, honest, and efficient work. The young women employees in the departments in this city are, so far as I know, entitled to thanks and commendation from the country for the excellent work which they have done. They now find themselves suddenly dropped from the pay roll; they are here in the city of Washington without means to get home. I can not think it possible that any considerable number of Senators on the floor of the Senate will be willing to deny them transportation back home when their services are suddenly and unexpectedly dispensed with. As I said a moment ago, one can not dispense with the services of his coachman or his cook in that way. By the law of the land you are compelled to give them a month's notice or pay them a month's wages.

These young ladies who are working for the Government in these departments and are summarily ordered home, under the provisions of this bill will not receive transportation home if they have been delinquent in any respect. The bill provides on its face that they must be dismissed by the Government; they are not leaving voluntarily, but in cases where they have been guilty of no negligence or fault of any sort, but are suddenly and unexpectedly dismissed from the service, they are to be given transportation home.

I can not conceive of any good reason why that should not be done. I think I may safely say that every Senator on this floor knows that if there are any who have been struggling to keep down expenses and to protect the Government Treasury from unjust raids, I am one of those who have been engaged in that work; and yet I never more earnestly advocated anything in my life than I now advocate that these young women who came here to serve the Government and have done so faithfully be transported to their homes. They have been suddenly discharged, and in justice to themselves and in accordance with the usages of the country and of all civilized countries, they ought not to be summarily dismissed without any consideration whatever. We merely furnish them transportation home; it is not money which is to be given to them, but it is a ticket home, which is nontransferable, and a penalty of \$100 is imposed on any one of them who tries to sell the ticket. They are also required to use the ticket within five days after they have received it. We thus do justice to these young ladies, and at the same time relieve this city from a congestion which is very serious, very painful, and very inconvenient to all the people who live here or who have to come here for any purpose.

I never presented a bill to the Senate in my life that I felt was more meritorious and more just than this bill to transport these young women to their homes when they have come here to serve the Government, and have served it faithfully. No one



can receive any benefit under the provisions of the bill unless her work has been faithful and satisfactory.

Mr. WARREN. Mr. President, I desire to ask the chairman of the committee if he does not think that the passage of this measure will lead to a better treatment of the whole matter, resulting in the earlier discharge of these employees? Many of them lack the money with which to get home, and so the disposition on the part of those in the department under whom they are working will be to retain them. Will this not have the effect of securing the discharge of such employees earlier and sending them home, and in that way work in the interest of economy?

Mr. MARTIN of Virginia. I have no doubt of it. If I were the head of one of the departments I have no hesitation in saying that I would put off as long as I could the discharge of one of these young women when she had done faithful work and I knew that she was without the means with which to get home.

Mr. WARREN. So would I. And now, Mr. President, I desire to ask the Senator from Virginia another question. Is it not better for the morale of the departments to dispense with the services of these no longer needed employees at as early a date as possible, and, in doing so, to accord them the same consideration which they would receive if they were in private employment?

Mr. MARTIN of Virginia. Beyond a doubt.

Mr. WARREN. As the Senator from Virginia has said, nobody turns his employees out without a crust; they do not turn them out without having the means to get home. It seems to me that the departments ought to immediately proceed to reduce their force to the lowest possible point. That would be better for the finances of the Government, better for the clerks who are to be discharged, and better for the morale and the work of the employees who still remain in the departments.

Mr. MARTIN of Virginia. Beyond a doubt that is true. Before I take my seat, let me say to the Senator from Idaho [Mr. BORAH], who, I think, suggested an amendment to limit the operation of this bill to January, that a great many of these young women can not be dispensed with, though many of them can be.

Mr. BORAH. Mr. President, let us put the date at January 15. It will not take long to pass another bill. If we put it over until the 31st day of March the discharge of these employees will be very slow until about the 25th day of March.

Mr. MARTIN of Virginia. I will say to the Senator from Idaho, Mr. President, that 5,000 of these employees have been discharged, and I do not think there is any reason to suppose that the discharge of others will be very slow. I think there is an earnest desire in all of the departments to dispense with the services of the employees who are useless. I think we had better not take "two bites at a cherry"; that we had better provide to meet this evil while we are at it. The demonstration here this evening shows that it is not so certain about our passing another bill. When this bill shall have been passed I think Congress will feel that it has met its responsibility and will not be likely to pass another. I think the bill as it passed the other House and as it has been reported from the Senate committee makes a very reasonable provision for this whole matter. I hope the Senator from Idaho will not insist on an amendment, but will let the bill go through as it is. I think it relieves a real necessity, an urgent and immediate necessity; that it is demanded by justice and fair dealing. The bill ought to be passed for that reason, as well as for the purpose of relieving the congestion in this city.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Kansas [Mr. CURTIS].

Mr. McCUMBER. I desire to offer an amendment to the amendment, but I was waiting until the Senator from Virginia had completed his remarks.

Mr. President, I do not think there is anyone in the Senate who objects to the passage of this bill in a proper form. Personally I can see quite a little difference, however, between granting this right to those who have served a year and a half and those who have served but three weeks. I know a couple of girls who came from my State who have only served three weeks, who now find that they must return home. If the Government pays the price of their tickets one way they will not be even; they will still be at a loss.

There ought to be some limitation, it seems to me; a general stopping point. The Senator, of course, thinks that it ought to be granted to everyone who has been in the service since the 6th day of April, 1917. I think that I ought to ask, in all fairness, why that right ought not to be also granted to the men who have come here to labor and who have been here for nine months or over?

Mr. MARTIN of Virginia. This legislation is not limited to women. I merely stated that they were to be its chief beneficiaries.

Mr. McCUMBER. I know; but here is an amendment that applies to laborers; and as it applies to laborers, I suppose that most of them are men, and the amendment offered by the Senator from Kansas provides that only those may receive the benefit of the legislation who have secured less than 90 days' work.

Mr. President, I think probably one of the strongest arguments against the claim of the suffragettes that the women of the country can not receive fair consideration by the male sex is the very fact that you grant them a privilege far more liberal for them than you are proposing to grant to the laborers. The laborers who came down here, according to the statement of the Senator from Kansas, were actually receiving very much less per diem than these girls were receiving, and it costs just exactly as much for one of these men to go back to Kansas as it would to send women back to Kansas. Why should you make the distinction by granting the right to but one class? I assume that if you adopt this amendment you are making a different rule—a far less favorable rule—wherever it applies to laborers.

Mr. CURTIS. Mr. President—

Mr. McCUMBER. I yield to the Senator from Kansas.

Mr. CURTIS. I inserted in my amendment the limit of 90 days because in all of the letters received by me it was stated that none of the men had been given over 30 days' work, and I thought if I limited it to 90 days it would cover the cases complained of and that it would be fair to all concerned.

Mr. McCUMBER. Yes; but the Senator from Kansas can not fail to see the inconsistency in the bill itself, as it will be should his amendment be adopted, for it will then provide that Government employees receiving \$1,400 a year will receive this benefit, even though they have rendered service for a year and a half, while those who came down here and could only get 95 days' Government work must pay their own way back. I certainly think it is very far from right.

But what I rose for particularly, Mr. President, was to call the Senator's attention to what I believe is an error in his amendment that ought to be corrected. The amendment proposes to add a new section, as follows:

SEC. 7. That the provisions in this act shall apply to the men who were offered employment by an agent of the Department of Labor or other governmental department, and who were taken from their homes under a promise of employment, but who were given less than 90 days' employment.

What is meant by the words "given less than 90 days' employment"? If one leaves his employment after 10 days or 3 days because he does not like the kind of work, he has had less than 90 days' employment. I suggest to the Senator that we ought not to grant this privilege to those who refused to perform any service; and I suggest as an amendment that he strike out the words "who were given less than 90 days' employment" and insert in lieu thereof the words "who were unable to secure more than 90 days' service under Government employment." That would make clear and definite that it applies only to those who did not leave of their own volition.

Mr. CURTIS. Mr. President, the difficulty with the Senator's amendment is that these people did not work for the Government after they were brought East. They were induced to leave home at the request of Government agents to work for private concerns which were engaged on Government contracts.

Mr. McCUMBER. Very well. Then, if they were not employed under the Government, let it read, "who were unable to secure more than 90 days of such service." What I want to do is to protect the Government against sending back to Idaho or to California or anywhere else those who came here and refused to work when they got here.

Mr. CURTIS. In answer to a question asked by one of the Senators on the other side, I stated that it was my intention to cover only such persons as had come East in good faith and had been deprived of employment by reason of the fact that there was nothing for them to do. I did not intend that the amendment should apply to those who left their employment of their own volition, and so far as I am concerned I will accept any amendment the Senator may suggest along that line.

Mr. McCUMBER. Well, I suggest that there be stricken out the words "but who were given less than 90 days' employment" and insert "but who were unable to secure more than 90 days' employment."

Mr. CURTIS. That is perfectly satisfactory to me.

The PRESIDING OFFICER. The question is on the amendment of the Senator from North Dakota to the amendment of the Senator from Kansas.

The amendment to the amendment was agreed to.

Mr. THOMAS. Mr. President, I should like to inquire of the Senator from Kansas what legal authority is possessed by any representative of the Government to guarantee anybody a year's work?

Mr. CURTIS. There is no such authority reposed in anyone; but the Senator will remember, if he visited any of the motion-picture shows, that there was thrown on the screen an invitation to labor not to accept any position except one tendered through an agent of the Government.

Mr. THOMAS. Yes; I saw that.

Mr. CURTIS. Then, the Four Minute Men, who were sent out to talk to labor, stated to the men that they would be unpatriotic if they accepted any employment that was not tendered them through the Government; and agents of the Government, apparently properly authorized, appealed to men in Kansas, Colorado, and other States, saying, "If you will go East and work in the factories or help erect buildings, you will have at least one year's employment," and they went for that reason and with that understanding.

Mr. THOMAS. Let me ask the Senator whether, if they had that power and authority, we should not pay these men for one year's work instead of sending them home?

Mr. CURTIS. I think not. They will be perfectly satisfied if they get their transportation home. As one man said, he had lost five weeks, but he asked nothing for that.

Mr. THOMAS. Let me ask the Senator how many men this amendment will probably cover?

Mr. CURTIS. I stated a moment ago that I did not know; but I have in my possession letters from 12 men.

Mr. THOMAS. Would this amendment cover the case of men who had never come to Washington at all, but who, for example, were sent from San Francisco to Seattle or from Denver to Topeka?

Mr. CURTIS. This amendment is intended to cover just that class of men. The men I have in mind went to Curtis Bay, Md., instead of coming to Washington.

Mr. THOMAS. Then, does not the Senator see that this amendment, if given such general application; would in all probability result in great abuse of a kind which it would be practically impossible for the Government to guard against, and that it would entail an enormous additional charge upon the Treasury?

Mr. CURTIS. Well, Mr. President, the men would be required to make a showing that they left their homes and reported at some other place and had done some work.

Mr. THOMAS. That is the easiest thing in the world to do.

Mr. CURTIS. Then, the matter could be traced back to the State from which they came, or their testimony could be taken. It would be easy to show whether or not they were asking for the relief in good faith.

Mr. THOMAS. That is the easiest thing in the world to do, and it is quite as easy to assume that the statement would be made that they were promised in some way a year's work. Apart from the fact that I think this bill is entirely wrong, my principal objection to this amendment is that it opens the door for enormous probability of abuse, and will result in all probability in the expenditure by the Government of several million dollars.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Kansas as amended.

Mr. CURTIS. I ask for a division.

On a division the amendment as amended was rejected.

Mr. BORAH. Mr. President, I move to strike out the words "March 31," in line 14, on page 1, and insert in lieu thereof "January 15."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 1, line 14, it is proposed to strike out "March 31" and in lieu thereof to insert "January 15."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Idaho.

Mr. MARTIN of Virginia. Mr. President, just a moment. I merely wish to say that I hope the amendment will not be adopted. It is impossible for these clerks to get through with the necessary work of the Government by the 15th of January. If we are going to give them any relief, I do hope we will give them relief that will amount to something.

Mr. BORAH. Mr. President, if the clerks are needed here until the 31st of March, there is very little reason for giving them transportation home. The theory is that they are being suddenly discharged by reason of the unexpected condition which has arisen. There are many of them, hundreds of them, who will go now if they understand that they must go now or not get transportation home. The amendment I have offered would give a month in which the services of these people could be dispensed with.

Mr. MARTIN of Virginia. There are 30,000 of them who are not needed permanently, but the Government can not dispense with the services of 30,000 of these clerks within the next month.

Mr. BORAH. Mr. President, of course we will not dispense with the services of 30,000 clerks within the next month, but

we could dispense very easily, in my judgment, with the services of 10,000 of them, and perhaps that is all whose services will be dispensed with until the departments are forced to discharge them all.

Mr. MARTIN of Virginia. Oh, no.

Mr. BORAH. I wish to call attention to another matter in this connection. We have started out here apparently with a view to economizing in a reasonable way in governmental expenditures. I am perfectly willing to pay the transportation home of the clerks if they are going home, and going at once or as soon as the Government is through with their services; but I am not willing that they shall stay here and work for two or three months and then have the Government pay their way home, taking into consideration the kind of work which will be performed for the next two or three months. There is not sufficient disposition on the part of the departments to curtail these expenses. The same spirit of extravagance which characterizes bureaucracy at all times characterizes it now, and unless we ourselves fix a limit there will be no limit put on in regard to these matters.

I was told a few days ago, Mr. President, that when the war ended the Government had typewriting machines piled up in the different places by the hundreds, and even by the thousands, and there was a question as to what could be done with those typewriters—how they could be disposed of. Now, I learn from the Government Advertiser, which has come in within the last two days, that the Government has just purchased 385 Remington and 2,510 Underwood typewriters, at a cost of \$170,387.50, with literally hundreds or thousands of typewriters piled up in different places in Washington, some of them never used at all and some of them just as good as they were when they were new. That is the kind of shameless extravagance that is going on here all the time. Why continue this relief for two or three months, when these girls should be home for Christmas and serve their Government and their families and themselves by being at home? Let us put a limit and start the begonia now.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Idaho. [Putting the question.] By the sound, the ayes appear to have it.

Mr. MARTIN of Virginia. I ask for a division.

On a division the amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. TOWNSEND. Mr. President, I wish to ask the Senator from Virginia a question about this bill. The Senator has presented a strong case, stating that many of these employees are practically without means; that they have not any funds with which to return home; that we want to get rid of them; and that it is necessary to pass this bill in order to accomplish that purpose. How is this bill going to become a law? Does the Senator know?

Mr. MARTIN of Virginia. Mr. President, I am concerned about the exercise of my own duty; I am not troubling myself about the exercise of the presidential duty. If the Senator wants to know anything about that, he has the same opportunity to find out that I have.

Mr. TOWNSEND. Well, it is a mighty poor one that I have.

Mr. MARTIN of Virginia. Well, I have none. I do not know at all. I merely know that I have advocated and propose to continue to advocate such bills as I think are just and right, and if they fail to become laws it will be through no fault of mine. My duty is finished when I vote for them in the Senate.

Mr. TOWNSEND. I do not question the sincerity of the Senator, and I quite agree with him that it is proper for Congress to proceed to discharge its duty as it sees fit; but I am nevertheless curious in regard to this matter, and I thought the Senator might be able to enlighten me, especially as he is urging, as other Senators have urged, emergency legislation and insisting that something must be done now. It is in my thought, however, that nothing can be done now, for the President does not expect to get back here until spring, which will be after these people have suffered and perhaps died—too late for this relief to reach them.

Mr. MARTIN of Virginia. The Senator apparently knows more about that than I do. I do not know whether the President will be back in the spring or before that time. I am not speaking for the President; I do not know when he will return; but I propose to discharge my duty on the floor and rely on him to discharge his in the Executive chair.

Mr. SUTHERLAND. Mr. President, I should like to ask the Senator from Virginia, if this bill is passed, is it at all likely that the payments under it will be made within any reasonable time? If they are not made quicker than payments are made under the war-risk insurance act, the beneficiaries of the bill will hardly get any relief from it.



In this connection, Mr. President, I should like to read a telegram from Fairmont, W. Va., dated to-day and directed to me, as follows:

Many wives and mothers of men in the service have received no funds from the War-Risk Bureau for four months. They do not want loans from the Red Cross, but the money due them from the Government. As Christmas draws near the situation becomes critical. Can you help us?  
Mrs. Jos. Rosier,  
Chairman Civil Relief.

It seems that the War-Risk Bureau are behind four months in the payments to the beneficiaries who are the dependents of soldiers serving on the other side, and there is great complaint upon that score. While we are taking care of the temporary clerks in the departments here, many of whom are deserving, something should be done, if possible, to remedy this situation which is very acute and very critical.

The PRESIDING OFFICER. The question is, Shall the bill be read a third time?

The bill was read the third time and passed.

#### THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. LA FOLLETTE. Mr. President, I ask leave to submit a minority report (S. Rept. 617, Pt. 5) upon the pending bill.

The PRESIDING OFFICER. The views of the Senator will be received and printed.

#### EXECUTIVE SESSION.

Mr. SIMMONS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Saturday, December 14, 1918, at 12 o'clock meridian.

#### NOMINATIONS.

*Executive nominations received by the Senate December 13 (legislative day of December 12), 1918.*

##### FEDERAL TRADE COMMISSION.

Huston Thompson, of Colorado, to be a member of the Federal Trade Commission for the term expiring September 25, 1919, vice Harris, resigned.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate December 13 (legislative day of December 12), 1918.*

##### ASSISTANT APPRAISER OF MERCHANDISE.

Martin F. Tanahey to be assistant appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y.

##### POSTMASTERS.

###### ILLINOIS.

Katherine Adams, Riverton.

###### LOUISIANA.

Chester A. Thompson, Ville Platte.

###### VIRGINIA.

Rose A. Milligan, Urbanna.

#### REJECTIONS.

*Executive nominations rejected by the Senate December 13 (legislative day of December 12), 1918.*

##### POSTMASTERS.

###### GEORGIA.

Henry M. Miller, Colquitt.

Walter W. Daves, Cartersville.

## HOUSE OF REPRESENTATIVES.

FRIDAY, December 13, 1918.

The House met at 12 o'clock noon.

The Rev. Earle Wilfley, of the Vermont Avenue Christian Church, Washington, D. C., offered the following prayer:

O Lord, our Lord, how excellent is Thy name in all the earth. We thank Thee, O God, for the testimony of Thy truth upon the earth, and ask Thee to bless us in our part of its propagation. We would thank Thee this morning that in Thy providence the President of the United States has arrived safely overseas. We pray that in the councils of the nations he may be guided by

wisdom, truth, and courage. Be with us this day, we pray Thee, in the homeland. Guide our steps aright and lead us into paths of service and of light, for Thy name's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BRAND, for four days, on account of illness.

To Mr. CLARK of Florida, for one day, on account of illness.

To Mr. LUNN, for 10 days, on account of important business.

To Mr. ASHBROOK, indefinitely, on account of the illness of his wife.

To Mr. PRICE, for 10 days, on account of important business.

#### MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bill and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4785. An act to incorporate the American Committee for Relief in the Near East; and

S. J. Res. 194. Joint resolution directing the United States Housing Corporation to suspend work upon all projects where construction is not more than 75 per cent completed and to cancel all contracts for furniture, and for other purposes.

#### SENATE BILL AND JOINT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, Senate bill and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 4785. An act to incorporate the American Committee for Relief in the Near East; to the Committee on the Judiciary.

S. J. Res. 194. Joint resolution directing the United States Housing Corporation to suspend work upon all projects where construction is not more than 75 per cent completed and to cancel all contracts for furniture, and for other purposes; to the Committee on Public Buildings and Grounds.

#### PAY OF WOUNDED SOLDIERS.

Mr. MANN. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. MANN. Mr. Speaker, the other day I called attention to a telegram I had received from West Baden, Ind., stating that the soldiers at the hospital had not been paid for many months. Yesterday the gentleman from Kentucky [Mr. SHERLEY] inserted in the RECORD a letter from Gen. Lord giving his statement in reference to the matter of the pay of overseas soldiers, and saying that he would have an officer sent to West Baden. I received yesterday a telegram from Virginia relating to the same subject which I would like to have read.

The Clerk read as follows:

RICHMOND, VA., December 12, 1918.

HON. JAMES R. MANN,  
Washington, D. C.:

Your statement in Congress in regard to pay of wounded men is absolutely confirmed by men returned to hospital here. Men with whom I have talked stated that they are in arrears from 5 to 11 months. Large proportion of them are entirely without money except such as have telegraphed for and received money from home. Since their return the people of Richmond who know of this condition are outraged at the treatment of the men at the hands of the War Department, and sincerely hope that your action in Congress will cause the injustice to be remedied.

HENRY E. BASKERVILLE.

Mr. MANN. Mr. Speaker, I appreciate the difficulties which the War Department encounters in paying these men who are detached from their regular organizations. And yet it does seem to me that they ought to find a way by such investigation as may be necessary to pay at least something to all the men returned and sent to the hospitals, so that a man at a hospital may have at least a little money. Gen. Lord explains what they are doing, but unless the men are paid the injustice exists.

Mr. GARNER. Will the gentleman yield?

Mr. MANN. Yes.

Mr. GARNER. I agree fully with the gentleman from Illinois that every effort possible ought to be made to get the money to these men, and especially those in the hospitals, where they ought to have all the assistance possible. But does not the gentleman realize that everything possible is being done, and does not the gentleman know that Gen. Lord is one of the ablest men in this country and that he is responsible to the War Department for this particular work? I want to say that I do not think there is any more intelligent, patriotic, or efficient man in the War Department than Gen. Lord.